4

CORRESPONDENCE

LIBRARY OF THE BOMBAY BRANCH OF THE ROYAL ASIATIC SOCIETY.

RELATING TO THE

SUGAR INDUSTRY IN THE WEST INDIES.

Presented to Parliament by Command of Her Majesty.
February 1897.

LONDON:
PRINTED FOR HER MAJESTY'S STATIONERY OFFICE,
BY EYRE AND SPOTTISWOODE,
PRINTERS TO THE QUEEN'S MOST EXCELLENT MAJESTY.

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1897.

[C.—8359.] *Price* 1*s*.

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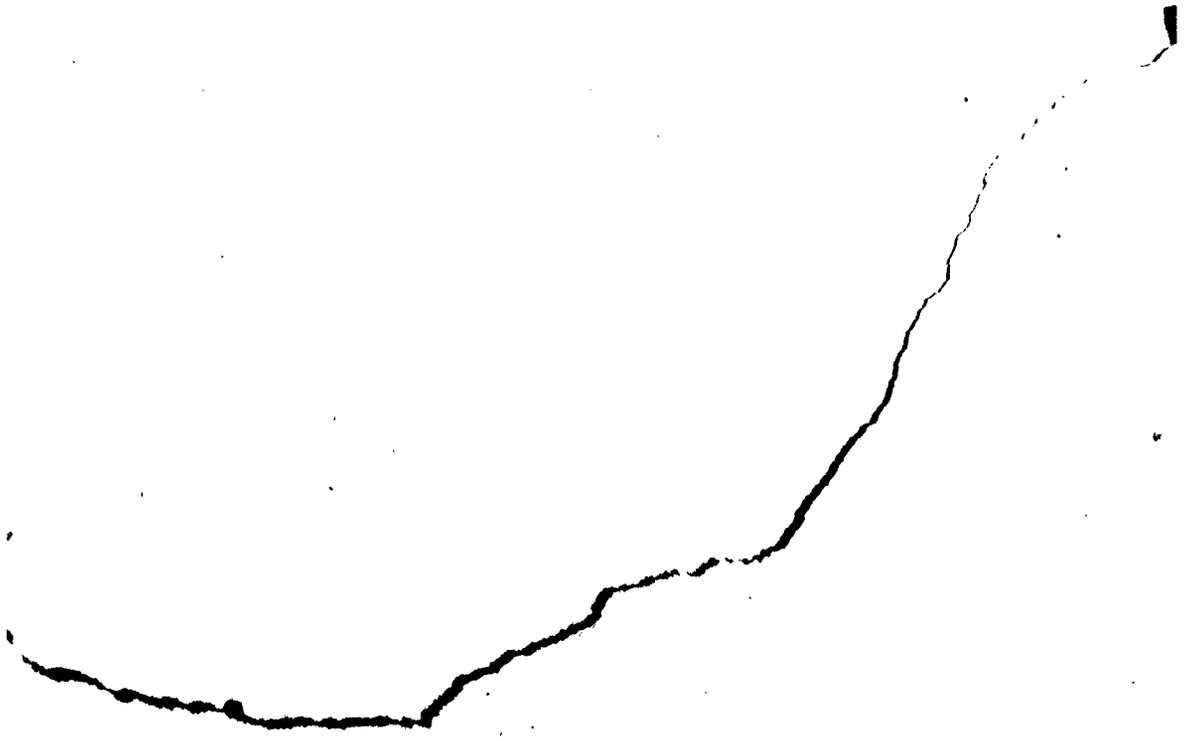

CORRESPONDENCE

RELATING TO THE

SUGAR INDUSTRY IN THE WEST INDIES.

BRITISH GUIANA.

No. 1.

GOVERNOR SIR C. C. LEES to the MARQUESS OF RIPON.
(Received November 1, 1894.)

Government House, Georgetown, Demerara,
October 18, 1894.

MY LORD MARQUESS,

I HAVE the honour to transmit for your Lordship's information and consideration, the report* of the Committee of the Combined Court on the condition of the Sugar Industry of this Colony, and on the means of relief to owners of sugar estates in Immigration and other matters, which I appointed on 27th July last at the instance of the Court, and also a copy of a Resolution of the Court adopting the report.

2. It has been abundantly apparent for some time that serious apprehension exists as to the condition of the sugar industry, and I cannot disguise the fact that those who feel this apprehension form a very large proportion of this community.

3. Under the above circumstances the Committee of Inquiry was made, not only comparatively a large one, but its constitution was purposely framed so as to represent the various interests of the Colony.

4. The Report of the Committee having been adopted by the Court, the views expressed therein may be taken to be those of the Court itself, for, out of a meeting at which 20 members were present, only 4 declined to record their votes in favour of the suggestions and recommendations of the Committee.

5. It is evident, therefore, that the Combined Court has expressed an almost unanimous opinion on the following points:—

(1) The sugar grower, in order to be enabled to carry on his business, is in want of "immediate" and of future relief, and

(2) the necessary cost of that relief should be borne by the incidence of taxation, to be shared by the whole community.

6. The relief asked by the Court to be afforded, under the necessary legislation, would be, between the present date and the 1st of April, as follows:—

(*a.*) Freedom from the payment of the half-year's acreage tax due on the 1st of December next, which will amount in the aggregate to $102,000.

(*b.*) Freedom from the payment of the half-yearly instalment of the additional 50 cents acreage tax now payable to general revenue, which will amount to $17,500.

(*c.*) The extension of the payment of "Immigration Notes" due to the Consolidated "Immigration Fund" between this date and the end of the current financial year over double the period, or in other words a cash payment of half the amount of each note becoming due within such period and an extension for five years of the payment of the balance. This sum will be, according to the report of the Committee, $83,000, but a Resolution of the Court, upon which I shall remark later on, was subsequently passed, proposing to postpone the payment of the whole of the notes becoming due within this period and treating them as being due on the 1st April 1895, and then extending the

* Not printed.

payment of these notes, as well as of all other notes then running over double the period, in the same way. If this were done the amount of relief within that period would be double that sum, viz., $166,000.

7. To deal with the two items, (*a*) and (*b*), first, the Court desire to pass an enactment legalising the appropriation for the purposes of general revenue of the sum of $87,485·96, now at the credit of the interest account under the charge of the Immigration Fund Commissioners. This sum is really, as was explained in Court, and as appears in the evidence of the Acting Receiver General, a surplus arising from the difference between the interest paid by the note giver, *i.e.*, the planter, and that paid by the Commissioners on the bonds issued by them; and I think, with legislative authority, it may be fairly appropriated as the Court suggests. If this is conceded, and to make up the whole amount of acreage tax due to the Immigration Fund on the 1st of December next it will be necessary for the revenue to pay over to that fund an additional sum of $14,514·04; and, thirdly, there will be the necessity, if the scheme is adopted, of rescinding that portion of the Tax Ordinance which provides for the payment of an additional 50 cents by the planters on each acre of land under cane cultivation, so that the general revenue will, out of a total sum of $119,500, forego an amount of $32,000 between the present date and the end of the current financial year, and as I anticipate from duties recently reimposed a sufficiency of revenue to meet this amount I see no serious objection, from a financial point of view, to the proposal of the Court.

8. With regard to the extension of the period over which the "Immigration Notes" are at present spread, as proposed by the resolution of the Court, to which I have referred in paragraph 6, the scheme would be shortly as follows:—The signers of the "Notes" to be required to pay annually one-tenth of their amount in place of one-fifth, and inasmuch as it has been held by the Commissioners of the Fund, who sat as members of the Committee, that this is feasible, with the necessary legislative authority, and, further, as the revenue will in no way suffer, whilst the security of the Commissioners will not be impaired, I am of opinion that the scheme is worthy of favourable consideration. In this connexion I would observe that whilst no formal meeting of the Commissioners of the Fund was held to discuss this point, yet the five members, of whom no less than four were on the Committee of Inquiry, are prepared to recommend the adoption of the scheme, if, as was agreed upon at the sitting of the Combined Court on the 16th instant, the signers of the "Notes" undertake to pay the additional interest which may become due.

9. Your Lordship will perceive that the above remarks, on a scheme to afford a "present relief" to the amount of $285,900, deal with the wishes of the Court with regard to the sums becoming due during the current financial year, and it now becomes necessary for me to refer to the scheme for future years.

10. The Court desires that the cost of the importation of indentured labourers, who are to be limited in number to 5,000 per annum, should be divided between the sugar grower and the Colonial revenue in the proportion of one-third payable by the former and two-thirds by the latter, instead of, as now, two-thirds by the former and one-third by the latter. The additional one-third to be charged to the revenue will under the scheme be about $200,000; and added to this there must be taken into consideration the sum of $35,000 which will be lost to the revenue on the proposed abolition of the 50 cents special acreage tax. Of this aggregate, viz., $235,000, it is calculated that at least $120,000 may be obtainable from the customs duties recently reimposed, and the Report of the Committee, at page 5, will show how it is suggested that the balance of $115,000 may be secured.

11. My remarks above hold good with regard to the enlargement of the period over which the "Notes" are to be payable, except that, whilst the Committee thought that the amount of relief for the next five years would be $56,000 annually, the resolution to which I have referred above would make this sum about $65,000. And, further, there is the suggestion to extend the payment of the bonds on water loan account, which will give during the period mentioned annual relief at the rate of $13,653.

12. The fourth enclosure herewith transmitted is a resolution of the elective members of the Court which, inasmuch as the official members refrained from voting thereon, I request may be treated by your Lordship as an expression of opinion, and I propose to address your Lordship further on this at an early date. I transmit, however, a copy of the Resolution with this despatch, in order to show your Lordship how strong is the feeling on the present condition of the sugar grower and of the industry.

13. In the course of the debate, allusion was made to questions raised at a recent public meeting, which resulted in a petition transmitted to your Lordship under

separate despatch,* and the Resolution which is herewith transmitted shows the wishes of the Combined Court on the subject of an inquiry into the gold industry, and as to any facilities which it may be possible to offer in the acquirement of land generally.

14. An extract from the minutes* of the proceedings of the Court and newspaper reports* of the debate are also herewith transmitted, and the last enclosure is a copy of a letter which I have received from the Chamber of Commerce on the subject of the desired relief to the sugar grower in matters connected with immigration.

15. In view of the present critical condition of the industry, and of the almost universal opinion, both within the Legislature and outside, as to the necessity for affording relief and as to the propriety of the cost of such relief being made incident on the whole community, I cannot but feel I am justified in recommending for your Lordship's favourable consideration the wishes and suggestions of the Combined Court, and I would ask, after consideration, that your Lordship may be pleased to authorise me to introduce the necessary legislation to give effect thereto.

16. With regard to the first portion of the scheme, viz., the relief between now and the 31st March next, I would also ask that your Lordship's decision may be sent to me by telegraph, as early legislation will be essentially necessary if that scheme is to be carried out.

I have, &c.
C. C. LEES,
Governor.

P.S.—The time left for writing this despatch has necessarily been short, and I find that I have omitted to mention that if the whole of the Resolution referred to in paragraph 6 be adopted, there will be no cash payment as regards this season's immigrants, the whole of the amount of their indenture fee being made payable in the notes which it is proposed should be spread over a period of 10 years.

C. C. L.

(Certain of the Enclosures are not printed.)

Enclosure 2 in No. 1.

COMBINED COURT, SPECIAL SESSION, 1894.

RESOLUTION No. I.

Be it Resolved,—That this Court approves of the Report of the Committee of the Court on the Sugar Industry, and of the introduction, as soon as possible, of the necessary legislation to give effect thereto.

Passed in Combined Court, this 16th day of October 1894.

CHARLES T. COX,
Clerk.

Enclosure 4 in No. 1.

COMBINED COURT, SPECIAL SESSION, 1894.

RESOLUTION No. III.

WHEREAS in view of the present depression in the sugar industry it will be very difficult for proprietors of small estates to get advances to carry on during the early parts of the year, and whereas should many such estates go out of cultivation it would be greatly to the detriment of the trade, welfare, and credit of this Colony:

Be it Resolved,—That this Court hereby sanction the borrowing by the Government of this Colony of such sums as may be found necessary, not exceeding $2,000,000, to be used for the purpose of advancing loans on crops on such lines as may be arranged by a Committee of this Court, to owners of unmortgaged sugar estates or mortgaged estates with the permission of the mortgagees, all such advances to be a first lien on such crops and also on the estates.

Passed in Combined Court this 16th day of October 1894.

CHARLES T. COX,
Clerk.

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* Not printed.

Enclosure 8 in No. 1.

The Chamber of Commerce of the
City of Georgetown,
Georgetown, Demerara,
September 13, 1894.

SIR,

I HAVE the honour, by direction of the Council of the Chamber of Commerce, to transmit to you a copy of a resolution which was passed unanimously at a meeting held this morning, viz. :—

"Whereas the present difficulties in connexion with the sugar industry in this Colony must, of necessity, react on commercial interests :

"Be it Resolved, That the Council of the Chamber of Commerce expresses its approval of any relief that may be given to the planters in the way of a reduction of the cost or entire abolition of the present payment made by them towards the introduction of immigrants, or any other scheme of relief that may suggest itself, and that a copy of this resolution be forwarded to the Government."

I have, &c.
WILLIAM CUNNINGHAM,
Secretary.

The Hon. Cavendish Boyle, C.M.G.,
Government Secretary.

No. 2.

The MARQUESS OF RIPON to GOVERNOR SIR C. C. LEES.

SIR,

Downing Street, November 20, 1894.

You will have received my telegraphic despatch of the 16th instant,* informing you of the extent to which I am prepared to approve of the proposals which you submitted to me in your despatch of the 18th ultimo,† for the relief of the owners of sugar estates in British Guiana.

2. Having given most careful consideration to the Report of the Committee of the Combined Court, which has been adopted by the Court, and to the evidence taken by the Committee, I am satisfied that the Sugar Industry in the Colony is in a very critical state and that, unless some relief is given, there is imminent danger of a considerable number of estates being thrown out of cultivation. And, in the exceptional circumstances of British Guiana, the property of the Colony depending so largely on the maintenance of the Sugar Industry, I have felt myself justified in acceding to the wishes of the Combined Court, supported by your recommendation, and, as appears from the petition enclosed in your despatch of the 13th October,* sustained by a considerable body of outside public opinion in the Colony.

3. I have therefore intimated to you my approval of the following proposals :—

a. The remission of the half-year's acreage tax due on the 1st December next, estimated to amount to $102,000, part of this amount to be provided for by the transfer of the sum of $87,485·96 as the credit of the Interest Account of the Immigration Account to the Immigration Fund Account, and the balance to be charged against General Revenue.

b. The remission of the half-yearly instalment of the additional 50 cents acreage tax now payable to general revenue, estimated to amount to $17,500.

c. The postponement of the payment of the amounts becoming due in respect of existing immigration notes during the period from the 1st October 1894 to the 31st March 1895, treating them as becoming due on the 1st April 1895, and the extension of the payment of these notes over double the period for which they were originally given.

4. The above are the measures that you propose for the immediate relief of the planting interest during the current financial year, and you estimate that this relief, amounting altogether to $285,500, will involve a charge during the current year on the revenue of the Colony of $32,000, which you anticipate will be met out of the duties recently re-imposed by the Combined Court.

5. I have also, in view of the present distress of the Sugar Industry, signified my approval of the further proposals embodied in the 6th paragraph of the Report of the Committee of the Combined Court relating to the number of immigrants to be annually introduced, and the apportionment of the cost of their introduction between the planters and the Colony, the abolition of the 50 cent Acreage Tax, and the extension of the period

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* Not printed.

† No. 1.

of payment of Indenture fee notes and of Water Loans. But I am of opinion that the undertaking of the Colony to provide two thirds instead of one third of the cost of Immigration should be limited to three years instead of five, as proposed by the Combined Court. The question whether the arrangements should continue beyond that period will be a matter for future consideration.

6. With regard to the proposals as to the manner of providing for the additional burden on general revenue that will be involved by the transfer of one third of the cost of Immigration and the relinquishment of the Acreage Tax, I see no objection to the increased excise duty on rum, to the increased import duties on wines and spirits, or to the additional 2 per cent. ad valorem duty. But the imposition of a duty on rice is, in my opinion, a questionable expedient. The principle of imposing a tax which falls mainly on Coolie Immigrants has been objected to in the case of other Colonies, and it is desirable that some other method of taxation should be resorted to that will not affect the food of a large section of the labouring class in British Guiana.

7. I should be glad to know what steps have been taken as regards the proposals that have been made for the importation of Barbadian labourers, which have been under the consideration of your Government and that of Barbados for some time past. It appears to me that if an immigration of Barbadian labourers, with their families, could be arranged upon a large scale, the difficulties of the sugar planters would be greatly diminished, and the demand for Indian labour, with its heavy attendant expense, would be proportionately reduced.

8. As regards the third and fourth Resolutions of the Combined Court, enclosed in your despatch respecting the proposed loans to sugar planters, and the appointment of a Commission to inquire into the Gold Industry of the Colony and the acquirement of Crown lands for agricultural or other purposes, I shall await your further despatches.

I have, &c.
RIPON.

No. 3.

GOVERNOR SIR C. C. LEES to the MARQUESS OF RIPON.
(Received November 28, 1894.)

Government House, Georgetown, Demerara,
November 15, 1894.

MY LORD MARQUESS,

IN continuation of my despatch of the 18th of October 1894,* and with further reference to paragraph 12 of that communication, I have the honour to report that I have had under further consideration the resolution of the elected members of the Combined Court of the 16th of October. Since the meeting of the Court at which this resolution was accepted as an expression of opinion of the elected members, the crisis in the sugar industry has become more acute, and many of the planters and estate owners here display anxiety as to their future.

2. I would ask, therefore, if your Lordship would be prepared to allow the introduction of an Ordinance based on the lines of the laws in this connexion passed in Barbados in 1886,† with such modifications, to suit local circumstances, as the Committee of the Court, the appointment of which was suggested in the resolution, may be prepared to recommend.

3. The Ordinance if introduced would, of course, contain a suspending clause.

I have, &c.
C. C. LEES,
Governor.

No. 4.

The MARQUESS OF RIPON to GOVERNOR SIR C. C. LEES.
(Sent December 18, 1894.)

TELEGRAM.

REFERRING to your despatch of 15th November,‡ proposals not approved. Despatch follows by mail.

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* No. 1. † Barbados Acts Nos. 20 and 22 of 1886. ‡ No. 3.

No. 5.

The MARQUESS OF RIPON to Governor Sir C. C. LEES.

Sir, Downing Street, December 18, 1894.

I have the honour to acknowledge the receipt of your Despatch of the 15th ultimo,* having reference to the resolution of the elected members of the Combined Court of the 16th of October in favour of the raising of a loan by the Government of British Guiana to be used for the purpose of advancing loans on sugar crops.

2. You do not in your despatch suggest any arguments in favour of this very questionable proposal, and I have accordingly to-day informed you by telegraph that I am not prepared to approve the introduction of an Ordinance to give effect to it.

3. The laws passed in Barbados, in 1886, to which you refer, do not afford a precedent for the operations suggested. In writing to the Governor of Barbados with reference to Act 20 of 1886–87, Mr. Stanhope expressed himself as follows:—

"The Act is one of which I cannot approve. The pledging of the credit of the Government for advances made to private individuals is open to great objection, and could only be justified by circumstances of extreme pressure affecting the general community, which are not shown to my satisfaction to exist in this case.

"It was only in consideration of the expectations which had evidently been raised by the Government having brought in the Bill, and of the fact that its duration was limited to one year, that I arrived at the conclusion (*i.e.*, that the Act should not be disallowed).

"It must be clearly understood that my advice to Her Majesty was based upon the special features of the case and of the year. I am not prepared, for my own part, to depart from the principles laid down by my predecessors in similar cases, and if any suggestion be made for a continuance of the Act beyond one year, I shall, as at present advised, certainly refuse the application."

I have, &c.
RIPON.

No. 6.

Governor Sir C. C. LEES to the MARQUESS OF RIPON.
(Received December 27, 1894.)

Government House, Georgetown, Demerara,
My Lord Marquess, December 13, 1894.

I have the honour to state that since the transmission of my despatch of the 15th ultimo,* on the subject of advances to sugar growers on their crops, I have received from an influential Committee of planters and others, who have met to consider the question, a proposal which, with certain modifications, is shortly as follows:—

A sum not exceeding two million dollars to be advanced on the security of the crop of 1895, and of the crops of succeeding years upon the conditions as under:—

(*a.*) Forty-eight dollars per ton of first sugar to be the limit of the advance.

(*b.*) The number of tons of sugar upon which this advance is to be made to be determined by the Governor in Council, upon the recommendation of Commissioners to be appointed for the purpose.

(*c.*) The advances to be made through one or both of the local banks, at a charge to the borrower of 6 per cent. interest, out of which the bank would receive 3½ per cent. interest and 1 per cent. commission, the difference of 1½ per cent. being reserved for the expenses of the Colonial Government in this connexion.

(*d.*) The necessary funds to be provided by one or both of the local banks on a guarantee from the Government of the Colony to repay capital advanced, with interest and commission, under the conditions and limitations mentioned above.

(*e.*) Advances to the owners of estates which are already mortgaged to be made only with the consent of the mortgagee or mortgagees.

(*f.*) The application of any such advances to any purpose other than that of growing or producing sugar from the crop to be made a criminal offence.

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* No. 3.

(*g*.) The Government to have a preferent lien on all crops of an estate to which an advance has been made until the principal advanced and all interest due has been fully paid.

2. In connexion with the suggestions in sub-paragraph (*d*), I would mention that the Committee originally proposed that the Government of the Colony was to issue, at once, bonds to the extent of one million dollars, and, if required, to the extent of a further million dollars, or in all, to the limit of two million dollars, to the banks as security for the amounts to be advanced, but the Executive Council are opposed to this, if it can be avoided, and on further inquiry it was ascertained that the manager of the Colonial Bank is prepared to recommend to his directors in London to sanction the advance of the necessary funds on a Government guarantee only, but can give no undertaking that they will do so. The British Guiana Bank, however, does not see its way to make the advances, except on the security of bonds. Should the Colonial Bank directors be prepared to adopt their local manager's recommendation, that course would, in my opinion, and that of the Executive Council, be more to the advantage of the Colony.

3. The whole matter has occupied the serious attention of myself and the Executive Council at several meetings. The propounders of the scheme have been distinctly informed that the fact of such attention having been given must not lead them to imagine that their suggestions, or any one of them, will be adopted; but in view of the critical condition of the sugar industry, and of the serious responsibilities which must be thrown on the Colonial Government if there should be any general abandonment of estates, I deem it expedient and necessary, after taking the advice of the Executive Council, to lay the matter before your Lordship in order that every practicable precaution may be taken to prevent, if possible, the disaster which must ensue if such an abandonment were to take place.

I have, &c.
C. C. LEES,
Governor.

No. 7.

The MARQUESS OF RIPON to ACTING GOVERNOR BOYLE.
(Sent December 31, 1894.)

TELEGRAM.

[*Answered by Nos.* 7A *and* 10.]

How many estates, if any, with aggregate tons sugar, will cease cultivation if not assisted by Government?
Telegraph reply.

No. 7A.

ACTING GOVERNOR BOYLE to the MARQUESS OF RIPON.
(Received January 2, 1895.)

TELEGRAM.

Quite impossible to reply definitely. Eight estates aggregating twelve thousand tons considered certain, several more considered probable. Actual (? position of affairs) and whether ultimate abandonment preventible must await inquiry as each application for advance is made.

BRITISH GUIANA.

No. 8.

SIR C. C. LEES to COLONIAL OFFICE.
(Received January 7, 1895.)

40, Clarges Street, Piccadilly, W.,
January 7, 1895.

SIR,

REFERRING to my recent interview with you in connexion with the proposals to grant Government assistance to the proprietors of estates in British Guiana in the present serious depression of the sugar industry, and to the wish you then expressed for more definite information as to the number of estates which would go out of cultivation, and how far the prosperity of the Colony might be permanently affected if such aid were not afforded, I have the honour to state that a telegram has since been received from the Officer Administering the Government, from which it would appear that eight estates, producing in the aggregate 12,000 tons of sugar, are considered certain to go out of cultivation, and several more considered probable. From information I have obtained in this country from Mr. Lubbock, chairman of the West India Committee, the number would, in his opinion, be 16 estates, making from 20 to 20,000 tons, but it is not possible to say definitely what the number would be.

The total export of sugar for 1893 was 114,960 tons, and from the above it will be seen that the export would be reduced by no less an amount than one-fifth of the present total production.

I learn that the question of relief is not now limited to a few estates, but that it is of vital importance to the whole of the estates owned by persons whose sole support is the sugar industry.

In the present state of the sugar market, estates are unable to obtain from the sources which have hitherto furnished assistance, advances necessary to enable them to continue cultivation, and unless aid be forthcoming from some other source, estates will have to cease working.

The immediate effect of such a course would be very disastrous to the Colony.

(*a.*) Large numbers of Indian immigrants who are now being employed on estates would be thrown out of employment at once.

(*b.*) Proprietors would be unable to bring to maturity the crop at present in the ground, on which large sums of money have been expended, and which of course would be lost.

(*c.*) The serious diminution of the staple product of the Colony, for, with the exception of gold, the sugar industry must be regarded, practically, as the only one of importance in British Guiana.

(*d.*) Abandonment of estates would also affect other interests more or less connected therewith, and cause widespread poverty, distress, and ruin throughout the Colony.

Whether Government aid would prevent all or any of the estates from being ultimately abandoned is a question which must depend on the results of inquiry in each case for which application for assistance is made, but there can be no doubt that by granting temporary aid at the present time an immense amount of good can be effected.

(1.) It would enable estates to reap the present cultivation and continue in employment their Indian immigrants, and thus afford time to make arrangements, in any case where an estate might be abandoned after this season's crop, for the transfer of the immigrants to other estates.

(2.) Estates would be saved the loss of the amounts already expended on the present cultivation, which expenditure by timely aid now would on the sale of the crop be recouped.

(3.) Estates would be kept in cultivation if temporary aid were given and enabled to continue as heretofore, and upon this, in no small degree, will depend the future well-being of the Colony.

Assistance is required for the present crop, owing to the extraordinary depression. This may reasonably be expected to be temporary, for I am informed, on good authority, that sugar is now being made at a loss, and this state of things cannot continue for any lengthened period.

The price of sugar will no doubt rise, which would remove present difficulties, but, even in the event of this not taking place at an early date, it is certain that in the future the estates in British Guiana will be able to produce their sugar at considerably less cost per ton than heretofore, in consequence of the assistance which has already been rendered.

During the present financial year this relief amounts to, approximately, $238,000 ($202,500 specially recommended by a Committee of the Combined Court and approved, and $36,000 provided on the estimates for nine months, being the amount heretofore chargeable on estates for the maintenance of roads).

From the 1st of April next further relief will be afforded, as recommended by the Combined Court and sanctioned, and from that date the annual relief will be about $350,000 ($304,600 in terms of the Report of the Committee, and $48,000, the cost of the maintenance of roads).

The Executive Council considered that it is absolutely necessary, in the interests of the Colony, and to avoid the breaking-up of estates, which would inevitably lead to most disastrous results, the effects of which it is impossible to foretell, that assistance should be rendered by the Government. In this opinion I thoroughly concur, and think that this aid may be given without undue risk of loss on the principle of advances against the crops.

I am aware that, in submitting for the approval of the Secretary of State the question of granting Goverment aid in such circumstances, I am adopting a course which may be regarded as most unusual, and I should not have done so had there been any other course open. I trust that sufficient has been said to show the urgent necessity there is for Government intervention in the present crisis, and to justify the Secretary of State giving his sanction to the proposals to grant the necessary aid, either through the local banks or in such other way as his Lordship may see fit to direct.

I have, &c.

C. C. LEES.

No. 9.

The MARQUESS OF RIPON to GOVERNOR SIR C. C. LEES.

SIR, Downing Street, January 15, 1895.

I HAVE the honour to acknowledge the receipt of your despatch of the 13th ult.,* submitting proposals which had been laid before you by a Committee of planters and other persons for a scheme of advances to be made by the Government to sugar growers or the security of their crops.

2. In your despatch you did not explicitly recommend acceptance of the proposals of the Committee, and though you referred to the contingency of a general abandonment of estates, you did not furnish me with the means of judging whether such a case of imminent risk of injury to the interests of the general community exists as could alone justify the interference of the Government in the manner proposed.

3. I have, however, taken advantage of your presence in England to obtain fuller information and a definite expression of the opinion of yourself and your Executive Council, and I have learnt that, after communicating with proprietors of sugar estates in British Guiana who are in England, you have reason to believe that a large number of estates, producing in the aggregate upwards of 20,000 tons, will be abandoned unless the proprietors can obtain advances from the Government, that you are satisfied that this would cause widespread poverty, distress, and ruin throughout the Colony, and that you and the Executive Council consider it absolutely necessary, in the interests of the Colony, that assistance should be rendered by the Government.

4. In these circumstances, and in view of the support which the proposal has received in British Guiana, not only from the sugar planters themselves, but from merchants and other persons who may be considered as representing the general body of the community, I have decided, although not without hesitation, that, under due safeguards for the protection of the Government, I will not refuse my sanction to an advance of the nature proposed.

5. The total amount of advances must not exceed 1,000,000 dollars, and, having regard to the present prices of sugar, I am not prepared to approve of advances beyond the limit of 36 dollars per ton of first sugar of the estimated crop of 1895.

6. As regards the manner in which the advances should be made, I consider that it would be better for the Government to raise the necessary funds, and to make the advances direct to the planters, instead of resorting to the intervention of the banks in the manner suggested by the local committee. If an Ordinance were to be passed authorising the Crown Agents to issue, in the name of the Colonial Government, Treasury

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* No. 6.

bills having a six months' currency, renewable at the option of the Government for a further term of three or six months, bearing a rate of interest *not exceeding* 4 per cent., with interest and principal payable in this country, the Crown Agents would be in a position to make advances to the Government, as required, at the Bank rate, which is at present 2 per cent., and which has not exceeded, on the annual average of several past years, a fraction over 3 per cent. The money so advanced need not be remitted to the Colony, but would be applied in meeting the requirements in England for which in ordinary course remittances would be made from the Colony to the Crown Agents, and a corresponding amount which would otherwise have been remitted to England would be retained in the Colony, and used for the advances to the sugar planters.

7. With respect to the rate of interest, it appears to me that the charge made by the Government should be at least as high as that charged by the banks, which I understand to be 6 per cent. Otherwise there would be a risk of the scheme being regarded as a mere convenience, and not as an extreme resource to meet an exceptional emergency, and of applications being made by persons to whose circumstances the scheme is not intended to apply. It is, moreover, necessary that there should be a considerable margin between the rate of interest paid by the Government and that received from the planters, in order to provide for the cost of working the system and to cover all incidental risks.

8. The Government must have, as security for the advances, a first charge, not only on the crop, but on the estate. This will require the consent of the mortgagees where the estate is mortgaged, and I see no reason why trustees, guardians, or committees, might not be empowered by the Ordinance to give the required consent on behalf of mortgagees who are infants or otherwise under legal incapacity.

9. The question of the means to be adopted for securing repayment of the advances out of the proceeds of the crops is one of considerable importance, and not free from difficulty. The crops may not improbably be shipped in instalments to various markets, and it will be necessary, in the interests of the Government, to prohibit the shipment of any parcel of sugar from an estate to which an advance has been made until an instalment of the advances, proportionate to the full amount of the advance the Government has agreed to make, has been repaid on that parcel. Supposing, for instance, that the Government had agreed to advance up to 7*l.* per ton of first-grade sugar, the security being the whole crop of sugar of all grades on the estate, the planter, before he is allowed to ship, must repay to the Government 7*l.* on each ton of first-grade sugar of the parcel shipped, and a further amount, calculated on the proportion the other grades bear to the first grade. If the Government were merely to take on each parcel shipped the proportion of advances made up to that date, it might find that there would not be a sufficient margin of security in the parcels shipped towards the end of the crop to cover the balance of accumulated advances, and some such safeguard as I have indicated seems therefore to be absolutely necessary. In the case, however, of sugar intended to be shipped to the United Kingdom, it might be allowed, as an alternative to the planter, instead of paying the instalment in cash, to draw a bill for the amount in favour of the Crown Agents against the bills of lading, and to deliver the bills of lading to the Government to be forwarded to the Crown Agents.

10. Before making advances to any estate, it will be necessary for the Government to satisfy themselves, by the report of the Commission of experts who will be appointed to estimate the produce of the crops, that the advances will enable the estate to be kept in cultivation, and that without such assistance from the Government its cultivation must be abandoned. I need hardly say that the greatest care must be taken in the selection of persons to act as commissioners.

11. The provision suggested by the committee, for securing the due application of advances for the purpose for which they are made, should be adopted.

12. You have my permission to introduce an Ordinance for giving effect to a scheme of relief based upon the lines I have indicated above; but it must be borne in mind by all parties concerned, that I have only given my consent to any such relief on the part of the Government, on their representations that, if it should be withheld, the consequences would be disastrous to the Colony, and, as I have already observed, the arrangement must be regarded as an extreme resource to meet an exceptional emergency.

I have, &c.

RIPON.

No. 10.

ACTING GOVERNOR BOYLE to the MARQUESS OF RIPON.
(Received January 25, 1895.)

Government House, Georgetown, Demerara,
January 9, 1895.

MY LORD MARQUESS,

ON the 31st ultimo I had the honour of receiving your Lordship's despatch* asking for a statement of the number of estates, if any, which would go out of cultivation unless assisted by the Government, together with the aggregate in tons of their output of sugar, and on the 1st instant I laid the question before the Executive Council with the result that, on the following day, a despatch† was transmitted to your Lordship stating that it was not possible to give a definite reply and conveying (as I hope) the information that eight estates aggregating 12,000 tons of sugar would probably go out of cultivation unless assisted, that several more might go, and that except upon inquiry into the merits and position of each case, which could only be held as each application might be made for advances, it was not possible to say whether such assistance would save the estate.

2. The Executive Council gave long and careful consideration to the subject, and during their deliberations it was felt that several estates were so hopelessly involved as to render any assistance useless, that some might possibly be saved by advances from Government which were not obtainable elsewhere, but that each case would require close investigation, which could only be held by a qualified expert whose report would have to be considered by a Committee (probably the Council itself) before any Government aid could be sanctioned.

3. As the correspondence‡ noted in the margin would seem to point to the fact that your Lordship is more than doubtful of the expediency, except under very extraordinary circumstances, of Government advances being made, I did not deem it advisable to allow your Lordship's question to be known outside the Council, for I wished to avoid raising any unrealisable hopes in the minds of those who are looking for such assistance.

Sir C. Lees of 15th Nov. Secretary of State, telegraphic, 18th Dec. and of 18th Dec. 1894, the last quoted received on 2nd Jan. 1895.

4. Without, however, stating any reason, I inquired from one of the members of the committee which had been formed to bring the subject forward, how many estates (with their average yield) were considered by the Committee as being in want of advances, and his reply did not differ materially from the views of the Council. The number of the estates given being six, and their output of sugar being estimated at 10,000 tons. The owners of these estates, he thought, might apply for advances at once, with the view of their being continued in cultivation, whilst others would possibly ask for assistance during the process of "cropping" the land, a process which had already been determined upon in several instances.

5. The Council, in considering this reply, were of opinion that the number of estates whose claims for relief could at the present time be reasonably considered might be increased to eight, giving an aggregate of 12,000 tons of sugar, and this opinion was communicated to your Lordship.

6. I would mention that I have informed the Council that the following is, as I take it, the present position: Your Lordship has under consideration the very exceptional state of the industry; and whilst prepared, in the general interests of the Colony, to consider any feasible scheme for the purpose of preventing, where possible, the absolute abandonment of estates which might with timely assistance be continued in cultivation, Her Majesty's advisers are distinctly opposed to the general principle of pledging Government credit for advances to private individuals, and care has been taken to emphasise the fact that the question is still only under consideration of your Lordship, and to guard against raising expectations of assistance which it may be found impracticable to afford.

7. The whole subject bristles with difficulties, and in the event of your Lordship being in favour of limited advances, it will be necessary to safeguard the public interests by most careful investigation into each case, and to afford assistance to those estates only which may, after inquiry, be found in such a condition as will ensure their continuance under cultivation for some time to come.

I have, &c.
CAVENDISH BOYLE.

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* No. 7. † No. 7A. ‡ Nos. 3, 4, and 5.

British Guiana.

No. 11.

ACTING GOVERNOR BOYLE to the MARQUESS OF RIPON.
(Received February 8, 1895.)

Government House, Georgetown, Demerara,
January 23, 1895.

MY LORD MARQUESS,

I HAVE the honour to transmit herewith copy of Resolution No. 11 passed at an adjourned meeting of a special Session of the Combined Court held on the 18th instant, expressing the apprehension felt in this Colony at the apparent intention to extend and augment the Sugar Bounties at present paid in Germany.

2. The Official Members did not vote on this resolution, and it represents, therefore, the views of the Elective section, in accordance with whose wish I now transmit it to your Lordship.

I have, &c.
CAVENDISH BOYLE.

Enclosure in No. 11.

COMBINED COURT, SPECIAL SESSION, 1894–95.

RESOLUTION No. XI.

WHEREAS the inhabitants of this Colony view with the gravest apprehension the apparent intention to extend and augment the existing Sugar Bounties in Germany, which if carried out could not fail to be disastrous:

Be it Resolved,—That this Court requests his Excellency the Acting Governor to represent the foregoing circumstances to the Secretary of State for the Colonies, in the hope that if such a step is in contemplation—viz., the extension and augmentation of the existing Sugar Bounties—it may be possible for Her Majesty's Government to adopt some measures for averting an act fraught with such serious consequences to the best interests of this Colony.

Passed at a meeting of the Combined Court, held on Friday the 18th day of January 1895, the Official Members not voting.

DOUGLAS YOUNG,
Acting Clerk of the Court.

No. 12.

The MARQUESS OF RIPON to GOVERNOR SIR C. C. LEES.

Downing Street, February 11, 1895.

SIR,

I HAVE the honour to acknowledge the receipt of Mr. Boyle's despatch of the 9th ultimo,* having reference to the number of sugar estates the owners of which are likely to apply for Government assistance.

2. I have to express my entire concurrence in the view expressed by Mr. Boyle in the last paragraph of his despatch.

I have, &c.
RIPON.

No. 13.

The MARQUESS OF RIPON to GOVERNOR SIR C. C. LEES.

Downing Street, March 4, 1895.

SIR,

I HAVE the honour to acknowledge the receipt of Mr. Boyle's Despatch of the 23rd of January,† transmitting a copy of a Resolution of the Combined Court referring to a possible increase of the Sugar Bounties paid in Germany, and expressing a hope that it may be possible for Her Majesty's Government to adopt some measures in the interests of the sugar industry of the Colony.

2. I have consulted with the Secretary of State for Foreign Affairs, and I have to inform you that the matter is not one in regard to which Her Majesty's Government could take action with any prospect of useful results accruing.

I have, &c.
RIPON.

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* No. 10. † No. 11.

No. 14.

GOVERNOR SIR C. C. LEES to the MARQUESS OF RIPON.
(Received April 19, 1895.)

[*Answered by No.* 16.]

Government House, Georgetown, Demerara,
April 3, 1895.

MY LORD MARQUESS,

I HAVE the honour herewith to transmit a copy of a letter which has been received from the British Guiana Planters' Association, together with a copy of a resolution passed at a meeting of the Association held on the 28th ultimo, with reference to the proposed increase of Sugar Bounties by European countries.

2. The Association was made aware of the decision conveyed to me in your Lordship's Despatch of the 4th ultimo* before the meeting at which the resolution was passed.

I have, &c.
C. C. LEES,
Governor.

Enclosure in No. 14.

SECRETARY, British Guiana Planters' Association, to the GOVERNMENT SECRETARY.

SIR,

March 29, 1895.

I HAVE the honour to hand you copy of a resolution passed at a meeting of this Association held yesterday, having reference to the proposed increase of Sugar Bounties by European countries, and to request that his Excellency the Governor will be pleased to transmit a copy of the same to Her Majesty's Principal Secretary of State for the Colonies.

I have, &c.
A. SUMMERSON,
Secretary.

RESOLUTION.

Be it resolved:

That this Association views with the greatest concern the proposed increase of Sugar Bounties by the Governments of European countries, as such increased bounties, if granted, must tend to the extinction of the staple industry of this Colony:

That this Association respectfully urges upon the Secretary of State for the Colonies the great unfairness of the competition created by the system of bounties, and would ask that the British Government take such steps as may be necessary to protest against any increase of Sugar Bounties by foreign countries, or to pass such legislation as would enable sugar from this Colony to compete on fair terms in British markets with sugar imported from countries giving export bounties:

That his Excellency the Governor be requested to forward this resolution to Her Majesty's Principal Secretary of State for the Colonies.

No. 15.

GOVERNOR SIR C. C. LEES to the MARQUESS OF RIPON.
(Received April 19, 1895.)

[*Answered by No.* 17.]

Government House, Georgetown, Demerara,
April 3, 1895.

MY LORD MARQUESS,

I HAVE the honour, at the request of the Chamber of Commerce, to transmit a copy of a letter containing a resolution on the subject of the Sugar Bounties on beet-grown sugar.

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* No. 13.

British Guiana.

2. A copy of your Lordship's Despatch of 4th March* will be transmitted to the Chamber, but there was not time to do this before the meeting on the 30th ultimo, at which the resolution was passed.

I have, &c.
C. C. LEES,
Governor.

Enclosure in No. 15.

CHAMBER OF COMMERCE to GOVERNMENT SECRETARY.

SIR, April 1, 1895.

I HAVE the honour, by direction of the Council of the Chamber of Commerce, to transmit to you a copy of a resolution which was unanimously passed at a special meeting of the Council held on Saturday last, and to respectfully request that his Excellency the Governor will be pleased to give effect to the concluding paragraph thereof.

The resolution is as follows:—

"Whereas the welfare of the commercial interests of this Colony depends almost entirely on the prosperity of its staple industry, sugar, and that therefore every means should be adopted to prevent that industry from failing:

"And whereas the cane-sugar industry is at present in a very critical state owing to low prices caused by over-production of beet sugar, subsidised by the European Governments, and therefore capable of competing with undue advantage with the cane sugars of the West Indies and this Colony:

"And whereas, unless steps be taken to protect the cane-sugar industry against the undue preponderance of bounty-fed beet sugar in the markets of Great Britain, the staple industry of this Colony is likely to become extinct:

"Be it resolved that this Chamber of Commerce respectfully request his Excellency the Governor to urge upon Her Majesty's Principal Secretary of State for the Colonies the great danger of the system of bounties adopted by Foreign Governments to the sugar industry of this Colony, and to ask that steps may be taken by Her Majesty's Government to protest against any increase in the bounties; or, failing which, to adopt such measures as will enable the sugars of this Colony to enter on fair terms of competition in the British markets with those imported from countries giving export bounties.

"And that his Excellency the Governor be respectfully requested to forward this resolution to Her Majesty's Principal Secretary of State for the Colonies."

I have, &c.
WM. CUNNINGHAM,
Secretary.

No. 16.

The MARQUESS OF RIPON to GOVERNOR SIR C. C. LEES.

SIR, Downing Street, April 26, 1895.

I HAVE the honour to acknowledge the receipt of your Despatch of the 3rd of April,† forwarding a copy of a letter from the British Guiana Planters' Association, with a copy of a resolution passed at a meeting of the Association held on the 28th of March, with reference to the question of a possible increase of the Sugar Bounties given by the Governments of certain European countries.

I have to request that the Planters' Association may be informed in reply that a copy of the resolution has been communicated to the Secretary of State for Foreign Affairs, but that it does not appear that Her Majesty's Government could take any action in the matter which would be likely to lead to a satisfactory result.

I have, &c.
RIPON.

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* No. 13. † No. 14.

No. 17.

The MARQUESS OF RIPON to GOVERNOR SIR C. C. LEES.

SIR, Downing Street, April 26, 1895.

I HAVE the honour to acknowledge the receipt of your Despatch of the 3rd of April,* forwarding a copy of a letter from the Chamber of Commerce, containing a resolution on the subject of the Sugar Bounties given by foreign Governments. I have to request that the Chamber of Commerce may be informed that a copy of their letter has been communicated to the Secretary of State for Foreign Affairs, but that it does not appear that there is any action which could be taken in the matter by Her Majesty's Government which would be likely to lead to a satisfactory result.

I have, &c.
RIPON.

No. 18.

GOVERNOR SIR C. C. LEES to MR. CHAMBERLAIN.
(Received July 16, 1895.)

TELEGRAM.

COMBINED Court wish to provide (in) Bill introduced in accordance with instructions in your despatch of 15th January,† that new machinery be included in term "cultivation," advances to be made next year as well as this year, and that assistance be extended to securing proper cultivation instead of prevention of abandonment.

Shall I proceed with Act with these modifications?

No. 19.

MR. CHAMBERLAIN to GOVERNOR SIR C. C. LEES.
(Sent July 17, 1895.)

TELEGRAM.

IN reply to your telegram of 16th July,‡ I am not prepared to approve extension of exceptional arrangement sanctioned by my predecessor without full explanation as to urgent necessity for terms proposed.

No. 20.

SANDBACH, TINNE & Co. to COLONIAL OFFICE.
(Received August 23, 1895.)

Sugar Bounties.

SIR, Liverpool, August 22, 1895.

REFERRING to the conversation which Mr. W. F. Lawrence, M.P., had with you on 16th instant, we have adopted your suggestion of deferring for the present any deputation to you. Meantime we avail ourselves of this opportunity to lay before you some information on the subject.

The *general* bearing of the bounty system is so fully set forth in the enclosed circular§ (January 1895) of the West India Committee, that we confine ourselves to calling your attention to the condition of the Colony of British Guiana, with which our business connexion has existed since 1787.

The vast increase in production of beet last year, and consequent fall in the price of sugar, caused such an acute crisis in that Colony that the Governor appointed a Commission to inquire into the state of the Sugar Industry. Their report (dated 15th October 1894) recommended immediate measures of relief as necessary for its continued existence. Although these measures were promptly adopted many estates are being "cropped" and abandoned.

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* No. 15. † No. 9. ‡ No. 18. § Not printed.

BRITISH GUIANA.

The cultivation of sugar land in the Colony is given in the Blue-books for
1883–84 as 79,502 acres, and
1893–94 as 69,814 ,,

Since the latter date the local banks have refused to make further advances to planters, and Lord Ripon, seeing the danger of the crisis, sanctioned loans of money to them by the Colony on certain conditions, but few or none have been able to comply with the terms laid down.

Further abandonment seems inevitable. We have ourselves recently sold for friends in Holland two plantations (for 4,500*l.* and 3,750*l.*) which had belonged to their families before, and ever since, the Colony became a British possession, and had until lately yielded a revenue to their owners. They made a crop of from 1,000 to 1,200 tons of sugar each, and within the last two years 18,000*l.* was spent on one of them for improved machinery, &c., but we found ourselves unable under present circumstances to advise the owners to continue cultivation of sugar against the increasing and unfair competition of beet-root. We understand that the purchasers mean to "wreck" these properties (*i.e.* sell everything piecemeal and abandon the cultivation).

We hear of several other estates (of which we give the names on a separate sheet) which will be abandoned, and we shall not be at all surprised to find at the end of this year 10,000 more acres gone permanently out of cultivation.

The machinery and other requisites for the estates are almost wholly imported from this country; the labourers are British subjects, a large proportion have been introduced from India at great cost, and their condition is far better than it was in their own country.

There is no want of intelligence, or enterprise in the planting business; there is no other cultivation which can take the place of sugar, which has in our Colony survived all others. In fact the existence of the Colony depends on sugar. Cultivation once abandoned cannot be resumed without enormous expense, as the tropical growth of vegetation destroys the fields, and chokes the drainage in a few months. The machinery is rusted up and the buildings go to ruin.

The disadvantages against which Guiana has to contend are very great. Bounties keep down the price of sugar, and subsidise competition. Silver (except British token coin, on which there is now a seignorage of over 100 per cent.) was demonetized in 1879 (*see* our correspondence of that date with Lord Carnarvon), while the Eastern British Colonies and most foreign countries can still pay their wages in this metal. The Government expenditure is quite out of proportion to the ability to bear taxation. In addition to this the Colony is at a disadvantage owing to the commercial treaties of the mother country. The United States of America have imposed an import duty of 40 per cent. ad valorem. Their offer to the Colony of reciprocity in 1884 was disallowed by the British Government although the Colony had been excluded (Treaty between Great Britain and United States) in 1815 from the operation of a favoured nation clause.

We are quite prepared to face fair competition, and we know that the difficulty of getting rid of foreign bounties is great, but we appeal to you in your present office to use your great influence in a fresh endeavour to have them removed.

The "Times" (telegraphic report of proceedings of the German Imperial Diet) of May 17th, 1895, states that "the Secretary of State pointed out . . . . that the "final remedy for the sugar crisis must be of an international character," and after some allusion to the attempts to carry out such a step, the Prussian Minister of Agriculture said that if the negotiations were not a success, "Germany would be compelled to *increase her export premiums.*"

It seems evident from this that the Continental industry cannot be carried on at present prices without Government intervention of one kind or the other, and that sugar is being sold below its natural cost of production. It must also be clear to you that the chance of an increase of bounties is an effectual bar to English capital being embarked in West Indian Sugar Growing. With a *natural* price of sugar, average cane can pay its way even in competition with beet, and capital would again be attracted to the West Indies.

But the expense and risk of cane cultivation are great enough without the continual disturbances caused by foreign legislation; and if bounties are to be increased, the time has come when the West India planters must finally succumb.

We hope that you may see in the remarks made at Berlin, a suitable opportunity to re-open the negotiations of 1888–89, and that the present condition of our West India Colonies may be found to be a practical answer to some of the objections to legislation then raised in the British Parliament.

We have, &c.
SANDBACH, TINNE & Co.

Enclosure in No. 20.

LIST of SUGAR ESTATES in BRITISH GUIANA in course of Abandonment in 1894–5.

Name.	Approximate Annual Manufacture of Sugar in Tons.
Caledonia and Zeelandia	2,000
Philadelphia	1,200
Metenmeerzorg	1,300
Cornelia Ida	1,200
Hague	1,100
Ruimveld	1,000
Houston	1,800
Versailles	2,100
Anna Regina	—
Reliance	—
	11,700

No. 21.

GOVERNOR SIR C. C. LEES to MR. CHAMBERLAIN.
(Received September 19, 1895.)

Government House, Georgetown, Demerara,
September 4, 1895.

SIR,

AFTER the receipt of your despatch of the 17th of July last,* stating, in answer to my communication of the 16th of that month,† that you were not prepared to approve the extension of the exceptional arrangements sanctioned by your predecessor to provide for advances to the owners of sugar estates, I appointed a Special Committee of the Combined Court to consider the proposed amendments of a Bill which had been drafted on the lines approved by Lord Ripon.

2. I have the honour now to transmit herewith a copy of the Bill as originally introduced, together with a copy of the report of the Special Committee of the Combined Court appointed on the 28th June last, in accordance with the terms of the Resolution of the 16th October 1894.

3. This report recommended that certain amendments should be made in the Bill, and was approved by the elective section of the Court, but, inasmuch as those amendments extended the exceptional arrangements to which I have alluded above, I deemed it my duty to address you by telegraph before allowing them to be made in the draft.

4. On receipt of your telegram quoted above it seemed to me advisable to obtain from the elective section in the Court a definite statement of their views, and I therefore appointed a committee consisting of five non-official members to consider the suggested amendments, and I transmit their report, together with a copy of the Bill, amended in accordance with the suggestions of the Committee appointed on the 28th of June last,‡ and also printed extracts‡ from the newspaper reports of the debates in Court at the meetings of the 12th July and 1st of August last, in this connexion.

5. The report of the last-named Committee has been considered in Executive Council, and I transmit also an extract from the minutes of that body.

6. The Bill if passed into law during the present year would prove of little avail, but there is an evident desire amongst those interested in the sugar industry that it should be placed on the Statute Book of the Colony in order that advantage may, if

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* No. 19. † No. 18. ‡ Not printed.

necessary, be taken of its provisions between the 1st of January and the 31st of December 1896.

7. I beg, therefore, to ask your consideration of the amended draft, and to request that I may be informed whether I should proceed with it as now modified.

8. The Government Secretary has addressed a letter to me upon the Bill, and, at his request, I transmit a copy of that communication.

I have, &c.
C. C. LEES,
Governor.

Enclosure 1 in No. 21.

A Bill entitled an Ordinance to provide for the making of temporary advances from Public Funds to the Owners of Sugar Estates for the purpose of enabling them to carry on the cultivation of their Estates and for the securing and recovery of advances so made.

Whereas at a meeting of the Combined Court held on the 16th day of October 1894, the following Resolution was passed:—

Whereas in view of the present depression in the sugar industry it will be very difficult for proprietors of small estates to get advances to carry on during the early parts of the year; and whereas should many such estates go out of cultivation it would be greatly to the detriment of the trade, welfare, and credit of this Colony:

Be it resolved:—That this Court hereby sanctions the borrowing by the Government of this Colony of such sums as may be found necessary, not exceeding two million dollars, to be used for the purpose of advancing loans on crops, on such lines as may be arranged by a Committee of this Court, to owners of unmortgaged sugar estates or mortgaged estates with the permission of the mortgagees, all such advances to be a first lien on such crops, and also on the estates;

And whereas it is expedient to give effect to the said Resolution:

Be it therefore enacted by the Governor of British Guiana, with the advice and consent of the Court of Policy thereof, as follows:—

Short title.

1. This Ordinance may be cited as the Sugar Estates' (Advances-in-Aid) Ordinance, 1895.

Interpretation of terms.

2. In this Ordinance, unless the context otherwise requires,—

"Sugar estate" or "estate" means any estate having more than fifty acres of land under cane cultivation and on which sugar is manufactured, and includes all estates and lands adjoining or near to a sugar estate which are occupied with such estate by the owner of such estate:

"Owner" includes lessee, and also includes the duly constituted attorney of an owner:

"Cultivation" includes the payment of taxes, immigration notes, and other similar charges, and of the expenses of management, of the upkeep of buildings, erections, machinery, draining trenches, and navigation canals, of the procuring of live and dead stock and other supplies, and of all other things necessary for the proper carrying on of the cultivation of a sugar estate and the manufacture of sugar and rum thereon:

"Crop" means the canes growing on a sugar estate and includes sugar, molasses, rum, and all other products of such canes:

"The Inspector" means the inspector appointed under and for the purposes of this Ordinance.

General objects of the Ordinance.

3.—(1.) During the present year advances shall be made from the Treasury to owners of sugar estates on the terms and conditions and with the security herein-after mentioned, for the purpose of enabling them to carry on the cultivation of those estates.

(2.) The total amount of the advances shall not exceed the sum of one million dollars or two hundred and eight thousand three hundred and thirty-three pounds, six shillings, and eight pence.

Management of system of advances.

4. Subject to the control and direction of the Governor in Council, the Receiver-General shall be charged with the management of the system of advances intended to be established by this Ordinance.

PART I.—MAKING OF ADVANCES.

Making of application for advance.

5.—(1.) The owner of a sugar estate who desires to obtain an advance under this Ordinance for the purpose of carrying on the cultivation of the estate (herein-after called "the applicant") shall send to the Receiver-General an application in the Form No. 1 contained in the schedule to this Ordinance.

Schedule: Form No. 1.

(2.) The Receiver-General may, if he thinks fit, require the applicant to furnish other information in addition to that set forth in the application.

Submission of application to Governor-in-Council.

6.—(1.) The Receiver-General shall transmit the application to the Clerk of the Executive Council, and it shall thereupon be laid before the Governor-in-Council for his consideration.

(2.) The Receiver-General may direct the inspector to report upon the application either after visiting and inspecting the estate or otherwise as the Receiver-General may think fit.

(3.) When the materials for forming a judgment upon the application are before him, the Governor-in-Council shall decide whether an advance is to be made or not, and, if so, the amount of the advance, the manner and times in which it is to be payable, and the manner and times in which it is to be repaid, and shall cause the owner to be notified accordingly.

Conditions and limitations under which advance is to be made.

7. The following provisions shall have effect with respect to the making of advances, that is to say :—

(1.) Where the estate is under lease, an advance shall not be made without the consent in writing of the lessor;

(2.) Where the estate is under mortgage, an advance shall not be made without the consent in writing of the mortgagee: Provided that where the mortgagee is an infant or *non compos mentis* or otherwise under legal incapacity, his guardian, curator, trustee, or committee may lawfully give such consent on his behalf;

(3.) An advance shall not be made unless the Governor-in-Council is satisfied that the money required for carrying on the cultivation of the estate is not otherwise procurable on reasonable terms;

(4.) An advance shall not be made unless the Governor-in-Council is satisfied that the advance will enable the estate to be kept in cultivation for a reasonable time thereafter, and that without such assistance its cultivation must be abandoned;

(5.) An advance shall not be made of a greater amount than at the rate of thirty-six dollars or seven pounds ten shillings for each ton of first quality sugar estimated as likely to be manufactured on the estate during the present year; and

(6.) Interest at the rate of six per cent. per annum shall be payable on an advance.

Payment of and giving of receipt for advance.

8.—(1.) If an advance is sanctioned by the Governor-in-Council, it shall be paid to the applicant in such manner, in such instalments, and at such times as may be directed by the Governor-in-Council, regard being had to the condition and period of maturity of the crop.

Schedule: Form No. 2.

(2.) On receipt of an advance or any portion thereof, the owner of the estate in respect of which the advance is made shall give a receipt in the Form No. 2 contained in the schedule in this Ordinance.

PART II.—CHARGING AND REPAYMENT OF ADVANCES.

Preferent lien for repayment of advance and interest.

9. For the repayment of every advance made under this Ordinance, and for the payment of the interest accruing due thereon, as and when the same respectively fall due, the Receiver-General shall, for and on behalf of the Colony, subject to any existing liens in favour of the Crown or the Colony, have a preferent lien as follows, that is to say,—

(1.) Upon the whole of the crop of the estate for the season in respect of which the advance was made; and

(2.) Upon the estate itself, including in that term all buildings, erections and machinery, all live and dead stock, and all things on or belonging to the estate procured or used for the purpose of carrying on the cultivation thereof or the manufacture of sugar or rum thereon.

Procedure for recovery of amount due from estate.

10. In case of default of payment by the owner of any estate of any amount payable for an advance in respect of the estate, either for principal or interest, as and when the same respectively fall due and become payable, the Receiver-General for and on behalf of the Colony, may proceed by parate or summary execution against the estate, and may levy on the estate, *cum annexis*, and may recover from the sale thereof every such amount due by the estate.

Continuance of lien until amount paid.

11. Until the whole amount of the principal and interest of an advance made to an estate under this Ordinance is paid to the Receiver-General, the preferent lien of the Colony shall continue in full force, and shall continue vested on the estate, notwithstanding any change of ownership of the estate, whether by private or execution or other public sale.

Proof of amount due.

12. In every proceeding by parate execution under this Ordinance, the signature of the Receiver-General subscribed to any document containing a statement of the amount claimed shall, without proof of such signature or of any other matter or thing, be *primâ facie* evidence in any proceeding in a Court of Justice of the amount claimed being due.

Effect of repayment of advance.

13. On repayment of any advance or on payment of any interest due thereon the Receiver-General shall give a receipt to the owner of the estate in respect of which the advance was made for the amount as repaid or paid, and thereupon the preferent lien on the crop and the estate shall be discharged to that extent.

PART III.—RAISING OF MONEY FOR ADVANCES.

Raising by loan of moneys required for advances, not exceeding $1,000,000 208,333*l.*6*s.*8*d.*

14. It shall be lawful for the Governor, for and on behalf of the Colony, in order to procure the necessary funds for making advances under this Ordinance, to authorise the Crown Agents for the Colonies to borrow and raise by loan, from time to time and as occasion may require, on the security herein-after mentioned, sums of money not exceeding in the whole one million dollars or two hundred and eight thousand three hundred and thirty-three pounds, six shillings, and eight pence.

Application of moneys raised.

15. All moneys borrowed and raised as aforesaid shall be applied to and for the purpose of making advances under this Ordinance and in payment of all costs and expenses of and incidental to the borrowing, raising, and lending of the same, and for no other purpose whatever.

Mode of raising moneys.

16. It shall be lawful for the Governor to authorise the Crown Agents for the Colonies, for and on behalf of the Colony, from time to time, to raise and take up upon short-dated debentures or by bills, or partly in one mode and partly in the other, sums of money not exceeding in the whole the sum of one million dollars or two hundred and eight thousand three hundred and thirty-three pounds, six shillings, and eight pence; and such debentures or bills shall be signed and issued by the Crown Agents for the Colonies in London for and on behalf of the Colony of British Guiana.

Amount, rate of interest, and payment of debentures.

17. Every debenture or bill issued under this Ordinance shall be for a sum of not less than four hundred and eighty dollars or one hundred pounds sterling, and shall carry interest at a rate not exceeding four per cent. per annum payable quarterly, commencing from the date of issue; and the principal sum shall be paid off at par at such time, not being later than twelve months from the date of issue, as the Crown Agents for the Colonies may, at the time of issue, determine.

Security for payment of debentures.

18. The principal and interest secured by every debenture or bill issued under this Ordinance are hereby charged upon and shall be payable out of the general revenues and assets of the Colony of British Guiana.

Registration of debentures.

19. Every debenture or bill issued under this Ordinance shall, before being issued, be registered in a register book to be kept for that purpose at the office of the Crown Agents for the Colonies in London.

Place of payment of interest and principal of debentures.

20. The interest and principal of the debentures or bills, or both, issued under this Ordinance, shall be payable at the office of the Crown Agents for the Colonies in London.

Remittance of money for payment of principal and interest of debentures.

21. The Governor shall appropriate out of the general revenues of the Colony the necessary sums to pay the principal secured by the debentures or bills, or both, issued under this Ordinance, together with the interest thereon, and shall remit the same to the Crown Agents for the Colonies at such time as will enable them to pay the said principal and interest as they respectively fall due.

PART IV.—MISCELLANEOUS PROVISIONS.

Appointment, salary, &c. of inspector of estates.

22.—(1.) The Governor may appoint, for such period as he may think necessary, some fit and proper person to be inspector of estates for the purposes of this Ordinance.

(2.) The inspector shall receive such salary and allowances as may be assigned to him by the Governor out of the moneys raised for the purposes of this Ordinance.

23.—(1.) The inspector shall act under the immediate control and direction of the Receiver-General and shall generally assist him in carrying out the purposes of this Ordinance.

Duties and powers of inspector.

(2.) He shall examine and report upon applications for advances.

(3.) He shall endeavour to ensure that the provisions of this Ordinance relating to the application of advances and the dealing with the produce of crops subject to a preferent lien and generally are strictly carried out and complied with.

Powers of entry and inspection of inspector.

24. The inspector may, as often as may be necessary, at any reasonable time enter upon any estate in respect of which an advance has been applied for or has been made and is subsisting, and inspect the same and all buildings, erections, and machinery, and all live and dead stock, and all things on or belonging to the estate procured or used for the purpose of carrying on the cultivation thereof or the manufacture of sugar or rum thereon, and to inspect and make copies of or extracts from the books of the estate.

Penalty on person assaulting, &c. inspector.

25. Every person who assaults, resists, or obstructs the inspector or any agent, assistant, or servant of the inspector, while in the exercise of any power or the performance of any duty vested in or imposed upon him by or under this Ordinance shall be guilty of an offence, and, being convicted thereof, shall be liable to a penalty not exceeding five hundred dollars.

Keeping of books relating to advances.

26.—(1.) The Receiver-General shall keep books, in such form as may for the time being be directed by the Governor, in which shall be entered all particulars relating to advances.

(2.) Any person who satisfies the Receiver-General that he has a pecuniary interest in any estate in respect of which an advance has been made shall be entitled, on payment of a fee of one shilling, to examine at any reasonable time the entries relating to the estate in the books of particulars relating to advances, and to make copies of or extracts from such entries.

(3.) Any entry in any such book of particulars relating to advances shall be *primâ facie* evidence in any proceeding in a Court of Justice of the matter to which it has reference.

Power to enter upon estate and carry on cultivation, &c.

27.—(1.) If the owner of any estate in respect of which an advance has been obtained and is in whole or in part not repaid ceases to carry on the cultivation of the estate in an efficient manner, so that it is, in the opinion of the Governor-in-Council, probable that the crop upon which the advance is charged will not be reaped and manufactured in an advantageous manner, it shall be lawful for the Governor-in-Council to direct the inspector to enter upon the estate, with such agents, assistants, and servants as the inspector may think necessary, and take possession thereof and carry on the cultivation thereof in the same manner as the owner of the estate might do.

(2.) In such case the inspector shall sell the crop and shall apply the proceeds (after deducting the cost of growing, reaping, and selling the same) in repayment of the advance charged upon the crop and of the interest thereon.

(3.) In any case under this section the inspector shall keep proper books of account showing his dealings with the estate, and, in default of so doing, he shall be guilty of an offence, and, being convicted thereof, shall be liable to a penalty not exceeding five hundred dollars.

(4.) Subject to the direction of the Governor otherwise, where in any case under this section the crop has been reaped and sold and the proceeds applied as hereinbefore mentioned, the inspector shall deliver up possession of the estate to the owner.

Keeping of account by owner of application of advances.

28.—(1.) The owner of any estate in respect of which an advance has been made shall keep an account, in a book to be kept for that purpose on the estate, of the expenditure of all moneys received under the advance.

(2.) Such moneys shall not be liable to be levied on at the suit of any person, and if at any time there is from any cause an unexpended balance of such moneys which it is not intended to spend, the owner or other person in whose possession it may be shall cause it to be paid over to the Receiver-General, to be carried to the credit of the estate in respect of which the advance was made.

Punishment of person misapplying advance.

29. Every person who, being charged with the application of any moneys obtained by way of an advance, and having power to make such application,—

(1.) Applies such moneys for any purpose other than a purpose authorised by this Ordinance; or

(2.) Refuses or neglects to apply such moneys for the purposes for which they were authorised to be advanced under this Ordinance,

shall be guilty of felony, and, being convicted thereof, shall be liable to imprisonment, with or without hard labour, for any term not exceeding two years.

Restriction on removal, &c. of crop on which preferent lien is subsisting.

30.—(1.) While a preferent lien for an advance is subsisting on an estate and its crop, it shall not be lawful for any person to remove from the estate, or to sell or buy, or to ship or export any portion of the crop of the estate without the consent in writing of the Receiver-General.

(2.) Such consent shall only be given on the condition that such proportion of the advance as the Governor-in-Council thinks fit is repaid, and on such other terms and conditions as may for the time being be directed by the Governor-in-Council.

(3.) Every person who offends, or aids, abets, or assists any person to offend, against the provisions of sub-section (1) of this section shall be guilty of a misdemeanour, and, being convicted thereof, shall be liable to imprisonment, with or without hard labour, for any term not exceeding two years.

(4.) Any officer of Customs, commissary of taxation, or police-constable may seize and detain any portion of the crop of an estate in respect of which a preferent lien is subsisting under this Ordinance, and also all animals, and all vehicles, punts, boats, and other vessels, carrying and conveying the same, if he has reasonable grounds for believing that such portion of the crop has been removed from the estate, or is being sold or bought, or is being shipped or exported contrary to the provisions of sub-section (1) of this section.

Saving of right of holder of lien on estate.

31. Nothing in this Ordinance shall prevent any person holding any mortgage or other lien or charge on an estate in respect of which a preferent lien for an advance is subsisting from taking proceedings for recovering any moneys due on his mortgage or other lien or charge, but without prejudice to such preferent lien or to anything done or to be done under this Ordinance.

Notices to be published in the "Gazette."

32. Notice shall be published by the Receiver-General in the "Gazette"—

(1.) Of the particulars of any application for an advance;

(2.) Of the amount, if any, authorised to be advanced on such application;

(3.) Of the particulars of any repayment of an advance; and

(4.) Of any other particulars relating to matters within the operation of this Ordinance which the Governor-in-Council may think fit.

Making of regulations, &c.

33. The Governor-in-Council may make such regulations and give such directions as he may think fit for the better carrying out of the provisions of this Ordinance.

Section 5.

SCHEDULE.

FORM No. 1.

Application for an Advance.

_____

_____ 189 .

SIR,

UNDER the provisions of the Sugar Estates' (Advances-in-Aid) Ordinance, 1895, I, as the owner [*or* the duly constituted attorney of the owner] of estate situated in the county of hereby make application for an advance from the Treasury of , payable , and bearing interest at the rate of six per cent. per annum in respect of the said estate (the particulars relating to which estate are set forth in the statutory declaration annexed to this application) for the purpose of enabling me to carry on the cultivation of the estate, such advance and the interest accruing due thereon to be a preferent lien on the estate and its crop in accordance with the provisions of the said Ordinance; and I hereby undertake that any amount so advanced shall be strictly applied in accordance with the provisions of the said Ordinance.

I am, Sir,

Your obedient servant,

To the Receiver-General. (Signed)

STATUTORY DECLARATION.

I, do solemnly and sincerely declare as follows :—

1. I am the owner [*or* the duly constituted attorney of the owner] of estate situate in the county of , and the particulars relating to the said estate are as follows :—

a. No. of acres,
b. No. of acres under cane cultivation,
c. Crop during the last three years,—

1892.			1893.			1894.		
Sugar, 1st Quality, Tons.	Rum, Gallons.	Molasses, Gallons.	Sugar, 1st Quality, Tons.	Rum, Gallons.	Molasses, Gallons.	Sugar, 1st Quality, Tons.	Rum, Gallons.	Molasses, Gallons.

d. Estimated crop for 1895-96,—

Sugar, 1st Quality, Tons.	Rum, Gallons.	Molasses, Gallons.

e. General description of manufacturing plant,
f. Names of mortgagees, and amount of their mortgages.

2. I am unable to procure on reasonable terms, otherwise than by way of advance under the said Ordinance, the money required for carrying on the cultivation of the said estate.

3. I believe that the advance for which I have applied under the said Ordinance, by a letter addressed to the Receiver-General, and bearing date the day of 189 , will enable the said estate to be kept in cultivation for a reasonable time thereafter, and that without such assistance its cultivation must be abandoned.

I make this declaration conscientiously believing the same to be true, and according to the Statutory Declarations Ordinance, 1893.

(Signed)

Declarant.

Declared before me this day of 189 .
(Signed)

CONSENT BY LESSOR OR MORTGAGOR.

I, of , being the lessor of [*or* being the holder of a mortgage for on] the estate situated in the county of having read the letter of the owner [*or* the duly constituted attorney of the owner] of the said estate, addressed to the Receiver-General, and bearing date the day of 189 , making application for an advance from the Treasury for carrying on the cultivation of the said estate under the provisions of the Sugar Estates (Advances-in-Aid) Ordinance, 1895, and the statutory declaration annexed to the said letter, hereby give my consent to the advance asked for in the said application being made.

Dated this day of 189 .

(Signed)

Witness :—

British Guiana.

Section 8.

Form No. 2.

Receipt for an Advance.

I, , the owner [*or* the duly constituted attorney of the owner] of estate situated in the county of , hereby acknowledge to have received this day from the sum of dollars, being the advance [*or* a portion of the advance] asked for in my letter addressed to the Receiver-General, and bearing date the day of 189 , making application for an advance from the Treasury of dollars under the Sugar Estates' (Advances in Aid) Ordinance, 1895, for carrying on the cultivation of the said estate.

Dated at this day of 189 .

(Signed)

Witness:—

Enclosure 2 in No. 21.

Report of the Committee of the Combined Court appointed by His Excellency the Governor on the 28th June, 1895.

Your Committee respectfully beg to submit the following suggested alterations in the Bill relating to the Sugar Estates Advances-in-Aid:—

Clause 2. Under the definition of the term "cultivation" after word "supplies" in the fifth line, the words "purchase of new machinery" be added.

Clause 3. Between the words "present" and "year" in the first line, the words "and next" be inserted.

Clause 6, sub-section 2, the word "shall" be substituted for the word "may" in the first line; that the word "either" in the second line be omitted, and that the words "or otherwise as the Receiver-General may think fit" be expunged.

Clause 7, sub-section 4. That the word "the" be substituted for the word "its" before cultivation in the last line, and that the words "must be abandoned" be omitted, the words "cannot be carried on in a proper manner" being substituted.

Schedule, statutory declaration, clause 3. The words "must be abandoned" be omitted, and the words "cannot be carried on in a proper manner" be inserted in lieu thereof.

Francis Villiers,
C. B. Hamilton,
Edward C. Luard,
R. G. Duncan,
Neil R. McKinnon.

12th, July, 1895.

Adopted by the Combined Court on the 12th July 1895.

Charles T. Cox,
Clerk.

Enclosure 3 in No. 21.

British Guiana.

Combined Court, Special Session, 1894.

Resolution No. III.

Whereas in view of the present depression in the sugar industry it will be very difficult for proprietors of small estates to get advances to carry on during the early parts of the year, and whereas should many such estates go out of cultivation it would be greatly to the detriment of the trade, welfare and credit of this Colony.

Be it Resolved.—That this Court hereby sanction the borrowing by the Government of this Colony of such sums as may be found necessary not exceeding two million dollars, to be used for the purpose of advancing loans on crops on such lines as may be arranged by a Committee of this Court to owners of unmortgaged sugar estates or mortgaged estates with the permission of the mortgagees, all such advances to be a first lien on such crops, and also on the estates.

Passed in Combined Court, this 16th day of October 1894.

Charles T. Cox,
Clerk.

Enclosure 4 in No. 21.

REPORT OF THE COMMITTEE.

To His Excellency Sir CHARLES CAMERON LEES, K.C.M.G., Governor and Commander-in-Chief, &c.

THE Committee appointed by your Excellency for the purpose of preparing a statement of reasons, in explanation and support of the amendments recommended by a Committee of the Combined Court, which reported on the 12th July 1895, to be made on the Bill, to provide for the making of temporary advances from public funds to the owners of sugar estates, have the honour to report as follows:—

1. The amendments recommended by the Committee of the Combined Court above referred to, were as under:—

Clause 2. Under the definition of the term "cultivation" after the word "supplies" in the fifth line, the words "purchase of machinery" be added;

Clause 3. Between the words "present" and "year" in the first line, the words "and next" be inserted;

Clause 6, sub-section 2. The word "shall" be substituted for the word "may" in the first line, that the word "either" in the second line be omitted, and that the words "or otherwise as the Receiver-General may think fit" be expunged;

Clause 7, sub-section 4. That the word "the" be substituted for the word "its" before cultivation in the last line, and that the words "must be abandoned" be omitted, the words "cannot be carried on in a proper manner" being substituted.

Schedule, statutory declaration, clause 3. The words "must be abandoned" be omitted, and the words "cannot be carried on in a proper manner" be inserted in lieu thereof.

2. The first recommendation made by the Committee, viz., to add the words "purchase of new machinery" to clause 2, was considered very necessary as it was clearly pointed out that in some cases estates were being carried on at a loss, and must soon be abandoned, because the owners could not procure new and improved machinery, which was absolutely requisite for the economical and advantageous working of their estates. As the object of the Bill was to prevent, as far as possible, the abandonment of sugar estates and consequent suffering and loss on the part of the community in general, it appeared very desirable that advances, if made, should be available for the purchase of new machinery in cases such as those above referred to.

3. The second recommendation of the Committee, viz., that the words "and next" should be inserted in clause 3 between the words "present" and "year" was made because it was evident that the advances would be too late to be of much service during the current year, and to enable those estates requiring advances to carry on their cultivation it was most important and necessary that such advances should be available during the early part of 1896.

4. The recommendation made by the Committee for alteration in sub-section 2, clause 6, was merely intended to make it compulsory on the Receiver-General to take certain action, instead of leaving it optional to him to do so, and was considered advisable as tending to safeguard the Government in making advances.

5. The recommendations of the Committee as regards alteration in sub-section 4, clause 7, were intended to provide for cases where an owner could not obtain funds to carry on his estate in a proper manner, and might be struggling against odds that would eventually overcome him, unless some timely aid was given, but who nevertheless was not in a position to positively swear to an affidavit to the effect that without such aid his estate "must be abandoned."

6. The recommendation made by the Committee with regard to alteration in schedule, statutory declaration, clause 3, as to omission of words "must be abandoned," and insertion of the words "cannot be carried on in a proper manner" in lieu thereof, is fully explained by the preceding paragraph of this report.

7. We do not consider the recommendations made by the Committee materially alter the spirit or intention of the Draft Bill, and we strongly recommend that the Bill, with amendments suggested, be passed into law as soon as possible. The necessity to give temporary assistance to the sugar industry has by no means passed away, and during the early part of 1896 some owners of sugar estates will not be in a position to get the necessary advances to enable them to carry on the cultivation. It is so universally recognised and acknowledged that the welfare and livelihood of every member of the community is at present to a great extent dependent on the continuance of the sugar

industry in this Colony, that it is felt no argument need be adduced as to the wisdom of preventing by advances such as the Bill provides for the abandonment of sugar estates during the existing crisis.

ARTHUR WEBER, M.C.P.
EDWARD C. LUARD.
A. R. GILZEAN.
PATRICK DARGAN, F.R.
R. G. DUNCAN. F.R.

Georgetown, 12th August 1895.

Enclosure 5 in No. 21.

MINUTE OF COUNCIL.

WAS read statement of reasons prepared by the Committee of the Combined Court in support of the alterations recommended to be made in the Bill to sanction advances on crops.

The Council were of opinion that, in the event of the Bill being proceeded with, the amendments proposed to clauses 2, 3, and 6, might possibly be innocuous, but that the alteration in the form of the statutory declaration could not be supported. The Governor concurred.

Enclosure 6 in No. 21.

Government Secretary's Office, Georgetown, Demerara,
September 3, 1895.

SIR,

WITH reference to the Bill providing for advances being made by the Colonial Government to the owners of sugar estates on the security of their property and crop, I beg your Excellency's permission to record my humble opinion that the measure is financially unsound.

Oct. 1894. 2. At the time when the scheme was initiated, I ventured to enter my protest against the course proposed, although the staple industry of the Colony was then in a critical condition, the sugar market severely depressed, and there was a probability that many estates would go out of cultivation.

Oct. 15, 1894. 3. The report of the Special Committee on the sugar industry resulted in material aid being extended to the estates in cultivation; abandonment, it is true, has taken place in several cases, but the position generally at the present time is more sound, the crop of the current season promises to be an exceptionally good one, and the danger of wholesale abandonment and widespread poverty, which threatened the Colony towards the end of 1894, and at the beginning of 1895, seems to have been postponed, if not averted.

4. There may come a time when further assistance should be given to the planting interest, but I cannot believe that the Bill, as drafted, even with the proposed modifications, would prove a workable measure. The responsibility thrown on the Administrative Departments is of such an unusual nature that I foresee failure in carrying out the details of the scheme.

5. If assistance has to be given during the coming or future years, I venture to think it should be in a form different from that proposed in the Bill, for when banks and mercantile firms refuse to render assistance by advances, it would, in my humble opinion, be financially unsound for a Government to do so, and the proposal to place the measure on the Statute Book would create a dangerous precedent in Colonial legislation.

6. I believe that the time has not arrived when any further assistance is to be deemed a necessity, and I hope that such a necessity may be deferred; but should it assert itself in the future, the provisions of the Bill would, I venture to think, not only fail to secure the remedy sought, but would embarrass the Government in dealing with a crisis.

7. I would ask that your Excellency will allow this representation to be transmitted to the Secretary of State with any communication that may be addressed to him on the subject of the proposed measure.

I have, &c.
CAVENDISH BOYLE.

His Excellency Sir Charles Cameron Lees, K.C.M.G.,
Governor of British Guiana.

No. 22.

Governor Sir C. C. LEES to Mr. CHAMBERLAIN.

(Received October 31, 1895.)

Government House, Georgetown, Demerara,
October 14, 1895.

Sir,

I have the honour to transmit a petition from planters, merchants, and others engaged and interested in the cultivation and manufacture of sugar in the Colony, together with an analysis of the signatures.

2. The question of foreign Bounties on sugar is, I am aware, no new one; and has occupied the attention of the Imperial Government. The recent depression in the market for the cane-grown sugar of the British Colonies has been severely felt here, and although public telegrams and reports show that there has quite recently been an upward movement in prices, the effect of the past unprecedented fall has been to cause the abandonment of estates, a decrease in the spending and importing powers of the community, and a consequent shrinkage of public revenue, as well as of private income.

3. The figures given in the petition are, as far as I am advised, correct; and whilst it is a fact that public expenditure and taxation have increased, I am not aware that the former has been avoidable, or that the latter is viewed generally as unduly burdensome. It must, moreover, be borne in mind that a very appreciable portion of the increase in expenditure is due to, and has been caused by, the requirements of the planting interest.

4. Relying with confidence that the petitioners and their needs, in common with the general interests of this Colony, will receive at your hands the fullest consideration, and that any relief which may be possible will be afforded to those who require it, I feel that it would be outside my province herein to touch upon such Imperial questions as foreign Bounties and countervailing duties; and after expressing my sympathy with a body of gentlemen who have maintained, and are still maintaining, a brave struggle against heavy odds, and my earnest desire to see an improvement in what is still the staple industry of the Colony, further comment from me on the prayers of the present petition would, I think, be superfluous.

I have, &c.
C. C. LEES,
Governor.

Enclosure 1 in No. 22.

To the Right Honourable Joseph Chamberlain, &c., Her Majesty's Principal Secretary of State for the Colonies.

The humble Petition of the undersigned Planters, Merchants, and Others engaged and interested in the Cultivation and Manufacture of Sugar in the Colony of British Guiana

Sheweth,—

1. That the present very serious crisis in the Sugar-cane Industry in the West Indies and British Guiana has been brought about entirely through the excessive over-production of beet, in consequence of the Bounties given by the Governments of European sugar-producing countries, as is clearly shown by the annexed circular* of the West India Committee in London, dated January 1895.

2. That the internal taxation of sugar by foreign Governments checks all natural consumption; that whereas in Great Britain and the United States it is 73 lbs. and 70 lbs. per head of population, in France, Germany, Belgium, and Austria it is only 28, 26, 20, and 17 lbs. respectively.

3. That on the basis of present Bounties the four foreign powers named contribute about four and a quarter millions sterling (4,250,000*l.*) towards the encouragement of the beet industry.

4. That the unfair and foreign subsidized competition is ruining an industry specially suitable to this tropical portion of the world, and one that could face fair and open competition without fear.

5. That the growing of sugar cane has survived all other cultivation in this Colony, that no other can take its prominent place, and that the existence of the Colony

* Not printed.

depends upon it. That when it is once abandoned it cannot be resumed without enormous expense.

6. That the present prices are ruinous, and that sugars are selling far below the natural cost of production.

7. That with a natural price for sugar, cane can pay its way *even* in competition with beet, and capital would again be attracted to the West Indies.

8. That the Colonies are at a great disadvantage owing to the commercial treaties of the mother country.

9. That if the present position continues West Indian planters must succumb, and general ruin of the Sugar-cane Industry is inevitable.

10. That the Bounties now stop any chance of British capital being invested in West India sugar growing.

11. That when reciprocity was offered to this Colony by the United States in 1884, it was refused by the British Government, although the Colony was, in 1815, excluded from the operation of a Favoured Nation Clause.

12. That the United States takes a considerable portion of our sugar crops, and supplies us with most of our food stuffs, that it is at present the natural market for the West Indies, and that recently a heavy duty has been imposed there on sugar.

13. That the mother country imposes an unfair surtax of 4*d.* a gallon on Colonial spirits, constituting a large protection on whiskies and other home-made spirits to the great disadvantage of her Colonies.

14. That the acreage in cane is fast falling away. In this Colony there were 79,500 acres in 1883–4, 69,800 in 1893–4; at present there are about 60,000, and it is probable that within a year from the present time the quantity will be further reduced by 10,000 acres.

15. That cropping, wrecking, and abandonment are continuing, and unless some change for the better occurs shortly, your petitioners fear the worst.

16. That the value of sugar and its by-products (rum and molasses) has fallen enormously. That in 1881 the average net proceeds per hogshead of sugar of various qualities (16 and 18 cwt. each) was $94.50; rum per puncheon, $58; molasses per puncheon, $24; while in 1891 it was reduced to $69 per ton (2,240 lbs.) for sugar, $56 for rum, and $24 for molasses. In 1892, 1893, and 1894 the average proceeds further fell to $68, $38, and $17; $70, $29, and $13; $59, $25, and $10 respectively, while we estimate the 1895 crop at $52.50, $22, and $9.

17. That the total value of exports from this Colony was in 1882 (when no gold was available) 3,209,000*l.*, while in 1892–3 (including 493,000*l.* for gold) it only reached 2,433,000*l.*

18. That the imports of machinery and other supplies of British manufacture amounted in 1881 to 833,847*l.*, or 3*l.* 6*s.* 2*d.* per head of population, and in 1890–1 to 927,397*l.*, or 3*l.* 6*s.* 8*d.*, while in 1894–5 it only amounted to 882,389*l.*, or, on an estimated population, to 3*l.* 3*s.* 5*d.* per head.

19. From other British Colonies, say the East Indies, all British North America and the West India Islands, &c., the imports in 1881 averaged 1*l.* 13*s.* 2*d.* per head, and in 1891 to 1*l.* 2*s.* 9*d.*, while from foreign countries, principally the United States, they were 2*l.* 2*s.* 2*d.* and 1*l.* 13*s.* 4*d.* respectively.

20. The total imports were 7*l.* 1*s.* 6*d.* per head in 1881, and 6*l.* 2*s.* 9*d.* in 1890–1, while in 1894–5 they only amounted to 1,652,525*l.*, or, on estimated population, 5*l.* 19*s.* 11*d.* per head.

21. That, taking the numbers of the population at five census epochs of 1841, 1851, 1861, 1871, and 1881, the average consumption of imports of British manufacture per head, according to the tables of official values, would be about 3*l.* 6*s.* 8*d.*

22. That the ever-increasing Government expenditure is out of all bounds, necessitating an unnecessarily heavy taxation. While in 1851 it was 1*l.* 8*s.* 5*d.*, in 1890–1 it had risen to 1*l.* 18*s.* 2*d.*, and in 1894–5 it amounted to 2*l.* 2*s.* 2*d.* per head of population. In 1871 the exports were 2,749,000*l.*, while the expenditure was 338,000*l.* In 1882 the value of exports was 3,209,000*l.* and the expenditure amounted to 428,971*l.* In 1892–3, while the value of exports only amounted to 2,433,000*l.*, the expenditure had increased to 542,000*l.*

23. There has been a considerable fall in the revenue. From the 1st April 1894 to 31st August 1894 it amounted to 254,795*l.*, while for the same period 1894–5 it has only reached 217,090*l.*

24. That when the census was taken in 1891 the population amounted to 278,000. Five per cent. added will bring it up now to about 292,000. That they mainly consist of agricultural labourers, about 110,000 of whom are East Indians, introduced at very

great expense and to their betterment, gradually, since 1845. Except about 16,000, the entire population are British subjects.

25. That the difficulty of abolishing the Bounty is great your petitioners are well aware, but it seems, especially at the present time, a very suitable opportunity to re-open the negotiations of 1888–9. The present serious condition of the West Indian Colonies is a practical answer to some of the objections to legislation at that time raised in the British Parliament.

26. Your petitioners therefore humbly pray that you, Sir, will be pleased to earnestly consider the foregoing statements, and place them before Her Majesty's Ministers, so that such steps may be taken as may this time effectually obtain an abolition of the nefarious Bounties granted by foreign Governments on the export of sugar; and, failing the attainment of that object by diplomatic negotiations, that a proposal be brought before Parliament to impose a counter-vailing duty on all foreign sugar imported into the United Kingdom equal to the Bounty it may have obtained on export, to pave the way for accepting any favourable reciprocity with the United States that may be offered and arranged at any future time, and, referring to paragraph 13, in every other way to treat the Colonies as part and parcel of the British Empire.

Wherefore your petitioners, as in duty bound, will ever pray.

Georgetown, Demerara, British Guiana,
13th September 1895.

Enclosure 2 in No. 22.

Analysis of Signatures, Sugar Bounties Petition.

The British Guiana Planters' Association.	
The Incorporated Chamber of Commerce of British Guiana.	
Sugar planters	292
Merchants	94
Estate proprietors	20
Landed proprietors	2
Steamer contractors	2
Estates agent	1
Clerks	40
Manager, Demerara Railway.	
Analytical chemist	1
Medical practitioners	8
Clergy	12
Proprietors, cattle farms	1
Consulting engineer	1
Commissaries	3
Inspector of police	1
Polder ranger	1
Magistrate	1
Ship captains	2
Solicitor	1
Barrister-at-law	1
Bankers	4
Farmers	3
Schoolmasters	12
Shopkeepers	23
Clerk of works	1
Town Clerk, New Amsterdam.	
Clerk of markets.	
Constable	1
Labourer	1
Building contractor	1
Wharfinger	1

Estates Employees.

Accountant	1
Book-keepers	2
Engineers	39
Pan boilers	24
Distillers	2
Drivers	5

Mechanics and Tradesmen.

Druggists, &c.	29
Tailors, carpenters, &c.	19

Members of the Legislature.

Honourable Andrew Hunter.
" Arthur Weber.
" B. Howell Jones.
" A. R. Gilzean.
" E. C. Luard.
" C. P. Gaskin.
R. G. Duncan, Esquire, F.R.
William Ingall, Esquire, F.R.
N. R. McKinnon, Esquire, F.R.

No. 23.

MR. CHAMBERLAIN to ACTING GOVERNOR BOYLE.

SIR, Downing Street, November 19, 1895.

I HAVE the honour to acknowledge the receipt of Sir C. Lees's despatch of the 4th of September,* with its enclosures on the subject of the arrangements sanctioned by my predecessor under which advances might be granted to the owners of sugar estates.

2. I have carefully considered the report of the Special Committee of the Combined Court, appointed on the 28th of June last, as well as the report, dated the 12th of August, of the Committee of five non-official members, both of which reports propose the adoption of certain alterations in the Bill for advances in aid of sugar estates as originally introduced.

3. I regret that I could not in any case sanction these amendments (with the exception of that in clause 6, sub-clause 2), as they would materially extend the scope of the measure beyond the relief authorised by Lord Ripon.

4. The fact that no pressure was put upon the Government to introduce this Bill in time for advances to be made for cultivation in 1895 appears to me to have proved that the extreme urgency in the belief of which my predecessor, not without hesitation, consented to authorise such an exceptional measure did not exist.

5. In these circumstances I consider that the Bill should not be further proceeded with.

I have, &c.
J. CHAMBERLAIN.

No. 24.

MR. CHAMBERLAIN to ACTING GOVERNOR BOYLE.

SIR, Downing Street, November 19, 1895.

I HAVE the honour to acknowledge the receipt of Sir Charles Lees's Despatch of the 14th ultimo,† transmitting a petition from planters, merchants, and others on the subject of foreign Sugar Bounties.

2. I request that you will cause the petitioners to be informed that I have given the most careful consideration to their applications, and have also had the advantage of

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* No. 21. † No. 22.

receiving a full further statement of the case from the members of the West India Committee, representing the sugar planters in all the West Indian Colonies.

3. Her Majesty's Government are deeply sensible of the disadvantages under which the industry has so long laboured in consequence of the Bounties given by some foreign countries.

4. There is some reason to believe that these countries are themselves becoming aware of the mischievous effects of this policy on their own revenues and interests, and, in accordance with the expressed wish of the deputation above referred to, Her Majesty's Government will take advantage of any favourable opportunity to bring home to the mind of the Powers concerned the inadvisability of continuing a system which is not only injurious to the petitioners, but is also disastrous to the true interests of the countries in question.

5. With regard to the Government expenditure referred to in paragraph 22 of the petition, you should remind the petitioners that it has largely been incurred in assisting Indian immigration to provide labour for the sugar planters.

I have, &c.
J. CHAMBERLAIN.

No. 25.

ACTING GOVERNOR BOYLE to MR. CHAMBERLAIN.
(Received February 6, 1896.)

Government House, Georgetown, Demerara,
SIR, January 22, 1896.

REFERRING to your Despatch of the 19th November last,* in reply to a memorial addressed to you by certain planters, merchants, and others in this Colony, on the subject of foreign Sugar Bounties, I have now the honour, at the request of the British Guiana Planters' Association, to transmit herewith a copy of a letter I have received from the secretary of that Association.

I have, &c.
CAVENDISH BOYLE.

Enclosure in No. 25.

From the SECRETARY of the BRITISH GUIANA PLANTERS' ASSOCIATION to the HONOURABLE the ACTING GOVERNMENT SECRETARY.

SIR, Georgetown, January 16, 1896.

I HAVE the honour to acknowledge the receipt of your Letter No. 7701 of 9th December last, addressed to our Chairman, Mr. R. G. Duncan, conveying the reply of the Secretary of State for the Colonies to the memorial of certain Colonists, which his Excellency the Governor had been pleased to transmit on the subject of foreign Bounties.

This letter was considered at a meeting of our Association held on the 10th instant, and whilst thanking the Secretary of State for the sympathy he has expressed with the memorialists, I was directed, in reply to the fourth and concluding paragraph of your letter, in which Mr. Chamberlain desires that the memorialists "should be "reminded that it (the increase of Government expenditure) has largely been incurred "in assisting Indian immigration to provide labour for the sugar planters," to give the following figures bearing on the subject:—

—	Total Expenditure.	Colony's Share of Immigration.			
	£	$	c.	£	s. d.
In 1871 - - -	338,000	136,636	76	=28,465	19 1
In 1882 - - -	428,971	146,409	59	=30,502	0 0
In 1892-3 - - -	542,469	170,057	12	=35,428	11 4
In 1894-5 - -	586,482	214,644	67	=44,717	12 9

* No. 24.

from which it will be seen that whilst the Government expenditure has increased from 338,000*l.* in 1871 to 586,482*l.* in 1894–5, or 248,482*l.*, the additional expenditure during the same period on immigration has only been 16,252*l.*:—

I am instructed to ask that his Excellency the Governor will be pleased to transmit a copy of this letter to the Secretary of State for his information.

I have, &c.
A. Summerson,
Secretary.

No. 26.

Mr. CHAMBERLAIN to Acting Governor BOYLE.

Sir, Downing Street, February 27, 1896.

I have the honour to acknowledge the receipt of your despatch of the 22nd of January,* transmitting a copy of a letter from the British Guiana Planters' Association on the subject of foreign Sugar Bounties.

I have, &c.
J. CHAMBERLAIN.

No. 27.

Governor Sir A. W. L. HEMMING to Mr. CHAMBERLAIN.
(Received September 16, 1896.)

Government House, Georgetown, Demerara,
Sir, September 2, 1896.

I have the honour to transmit a petition addressed to you by certain planters, merchants, and others interested in the cultivation and manufacture of sugar in this Colony.

I have, &c.
AUGUSTUS W. L. HEMMING,
Governor.

Enclosure in No. 27.

To the Right Honourable Joseph Chamberlain, &c., &c., Her Majesty's Principal Secretary of State for the Colonies

The humble petition of the undersigned planters, merchants, and others engaged and interested in the cultivation and manufacture of sugar in British Guiana

Sheweth,—

1. That the recent large increase in Sugar Bounties in Germany and Austria-Hungary, and the impending increase in France, with the probable result in consequence of a beet-root production equal or in excess of that of 1894–95, will certainly tend to lower the price of sugar below the cost of production.

2. That the effect of this increase of bounties and consequent over-production of beet sugar will undoubtedly render it impossible to carry on the Sugar Industry in British Guiana without loss, and will lead to further abandonment of sugar estates.

3. That the present position of the sugar grower and manufacturer and others engaged and interested in the Sugar Industry in British Guiana is a serious one, as further capital is not likely to be introduced nor tangible financial assistance given to an industry whose very existence lies at the mercy of foreign Governments.

4. That the ruin of the Sugar Industry in this Colony would affect not only proprietors and merchants, but the whole of the labouring classes, including about 110,000 East Indian immigrants, and also the credit of the Colony.

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* No. 25.

5. That the effect on the Bounties now paid on the export of beet sugar by foreign Governments is to cause undue interference in the trade relations between the British Colonies and the mother country, and to substitute Continental beet sugar for the produce of British possessions. Sugar can be grown at a profit in British Guiana to compete on fair terms in the home market with beet sugar, but the Bounties formerly paid by Continental Governments on beet sugar exported amounted to over 4,000,000*l.* per annum, and recent and contemplated legislation will largely increase this sum.

6. That the area under cane cultivation in this Colony is gradually decreasing. In 1886 there were 80,681 acres, and in 1896, 67,000 acres under cane cultivation. During the past 10 years the production of beet sugar has been doubled, whilst there has been a reduction in area under cane cultivation in most of the British Colonies.

7. That the sugar growers and manufacturers of British Guiana have struggled under adverse circumstances for many years, in the hope that Bounties on beet sugar would be abolished, or that the British Government would take steps to give the produce of British Colonies a fair chance to compete in the home market under conditions that would nullify the effect of Bounties on beet sugar from foreign countries. The mother country also imposes a surtax of 4*d.* per gallon on Colonial spirits, thus protecting whisky and other home-made spirits to the disadvantage of her Colonies.

8. That the sugar estates in British Guiana are equipped with the most modern machinery and appliances; that a large amount of capital is invested in connexion with the Sugar Industry; and that everything possible has been done to attain economy in the growth and manufacture of sugar. It has been suggested that the planters, if the Sugar Industry is failing, should turn their attention to some other industry, but it may be pointed out that the whole of their capital is locked up in their sugar properties, and is quite unrealisable under existing circumstances; besides, experience so far has not shown that any agricultural industry can take the place of sugar in this Colony with any chance of success.

9. That the effect of the recent increase of export Bounties on beet sugar will undoubtedly be to threaten the existence of the Cane-sugar Industry in British Guiana, and your petitioners therefore humbly pray that such measures may be taken by Her Majesty's Ministers as will relieve the present serious position of the Sugar Industry in British Guiana, and allow the sugar of the Colony an opportunity to compete in the home markets under such conditions as will put it on fair and equal terms with beet sugar from foreign countries.

And your petitioners, as in duty bound, will ever pray.

No. 28.

MR. CHAMBERLAIN to GOVERNOR SIR A. W. L. HEMMING.

SIR, Downing Street, October 6, 1896.

I HAVE the honour to acknowledge the receipt of your Despatch of the 2nd September,* transmitting a petition from merchants, planters, and others relating to the effect of the Bounties paid by foreign Governments on exported beet sugar upon the Sugar Industry of British Guiana. I have to request that you will cause the petitioners to be informed that I have received their petition, that Her Majesty's Government are deeply sensible of the injurious effect of the foreign Sugar Bounties upon the Colonial industry, and that they are anxious to avail themselves of any opportunity which may present itself of bringing influence to bear upon the foreign Governments concerned with a view to the abolition of these Bounties, which, moreover, impose no inconsiderable burden upon the consumers in the bounty-paying countries. No such opportunity has, however, as yet presented itself, and Her Majesty's Government do not at present see that any action which it would be possible for them to take would be likely to meet with success.

I have, &c.
J. CHAMBERLAIN.

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* No. 27.

British Guiana.

No. 29.

ACTING GOVERNOR BOYLE to MR. CHAMBERLAIN.
(Received November 25, 1896.)

Government House, Georgetown, Demerara,
November 7, 1896.

SIR,

I HAVE the honour to transmit a copy of a resolution submitted to the Combined Court on the 30th ultimo, requesting the Governor to take prompt steps to avert the disaster threatened to the Colony in the event of sugar estates being abandoned, and pledging a vote of the necessary funds for the furtherance of such measures of relief as the Governor may be advised to introduce and which may be sanctioned by the Combined Court.

2. This resolution was accepted as an expression of the opinion of the elected members only, the Government members not taking any part in the debate, as I explained to the Court that the Government could not at the present time support any measure which would involve either an increase of taxation or the raising of money for the purposes of the scheme.

3. I append for your information an extract from the newspaper report* of the proceedings of the Court, which will show the grounds advanced in favour of the resolution. From this it will be seen that the mover submitted to the Court the outlines of a scheme which set forth that any relief to the Sugar Industry could only come in one form, namely, in money, which should take the shape of a Bounty (to be paid to the producer and not to the shipper) of $10 per ton on all sugars exported from the Colony during 1897. This relief, he estimated, would require $1,000,000.

4. The sugar growers of British Guiana have so frequently and so recently put forward for your consideration the grave condition of the industry that I do not feel it within my power, or even my province, to attempt herein suggestions of a remedial nature, nor do I believe that I should have been justified in holding out any hope that the Government could extend to them a measure of relief which would require the expenditure of public money.

5. I informed the members of the Court that whilst such was the view which I was constrained to take, they had the sympathy of the Government in the depression under which they were suffering, and I feel sure that Her Majesty's advisers are equally sensible of the condition to which the industry has been brought by circumstances over which those who are interested therein have no control.

6. That the Government may have to meet liabilities in connexion with immigrant labour, sea and naval defences, and further decreasing revenue, impossible now to estimate, should a general abandonment of estates take place, is, I fear, probable; but it does not appear that the proposal of the mover of the resolution to make a free gift of a million of dollars to those engaged in the industry would prove of permanent benefit to them, or would in the end remove any portion of such liabilities, and I cannot see that it is possible for the Government, at present at all events, to take any action which would secure the relief sought by the mover and supporters of the resolution.

I have, &c.
CAVENDISH BOYLE.

Enclosure in No. 29.

COMBINED COURT, SPECIAL SESSION, 1896.

RESOLUTION No. 18.

Relief to Sugar Industry.

Whereas the present crisis in the Sugar Industry of British Guiana has reached an acute stage, and that, in the event of relief not being forthcoming, a number of sugar estates must go out of cultivation next year, to the great detriment of the Colony and menace to the general safety and welfare of the community,

Be it resolved:—That this Court respectfully requests his Excellency the Acting Governor to take prompt steps to avert the threatened disaster, and pledges itself to vote the necessary funds for the furtherance of such measures of relief as his Excellency

* Not printed.

the Acting Governor may be advised to introduce, and which may be approved by this Honourable Court.

Accepted by the Governor as an expression of opinion from the Elective Members, 30th October 1896.

J. Hampden King,
Acting Clerk.

No. 30.

Governor Sir A. W. L. HEMMING to Mr. CHAMBERLAIN.
(Received December 11, 1896.)

Government House, Georgetown, Demerara,
November 25, 1896.

Sir,

I have the honour to transmit to you herewith, at the request of the Planters' Association of British Guiana, a Memorial addressed to Her Majesty the Queen and the Members of the House of Commons, with regard to the Sugar Industry in this Colony.

I have, &c.
AUGUSTUS W. L. HEMMING,
Governor.

Enclosure in No. 30.

To The Queen's Most Excellent Majesty and The Honourable the Commons of the United Kingdom of Great Britain and Ireland in Parliament assembled.

The humble Petition of the undersigned Inhabitants of the Colony of British Guiana

Humbly sheweth :—

1. That the inhabitants of this Colony are almost entirely dependent on the Cane Sugar Industry for a livelihood.

2. That many other industries have lately been tried, but so far with little success, the climatic and labour conditions of the Colony being against these.

3. That a large amount of capital is invested in connexion with the Cane Sugar Industry, the sugar estates being equipped with the most modern machinery and appliances.

4. That everything possible has been done by economy and skill to make the industry successful, and that, though the cost of production has been greatly diminished, the limit to this reduction has now been reached.

5. That for many years past foreign Governments have paid large Bounties on beet sugar exported from Continental ports, and that recently Germany and Austria-Hungary have increased these Bounties.

6. That the inevitable result of this system has been to increase enormously the production and export of beet sugar, thus forcing down the price in the only duty-free market open to your petitioners, that of their mother country, below the natural cost of production.

7. That while the Continental sugar growers are able, with the help of these Bounties, to continue this unjust competition, your petitioners are threatened with absolute ruin, which it is the avowed object of the Bounty System to bring about to the British Colonial Sugar Industry.

8. That the extinction of the Cane Sugar Industry must inevitably bring distress and starvation on the majority of the inhabitants of this Colony.

9. That your petitioners ask for no protection; they are satisfied, given just and equal competition, a fair field and no favour, the Sugar Industry in British Guiana can hold its own against all competitors, and might be largely extended, to the benefit of British shipping and British trade.

10. That the immediate effect of the Bounties referred to is to give the British consumer cheap sugar, but this cheapness is attained by the ruin of the British Colonial Sugar Industry, and at a very serious loss of trade to Great Britain.

11. That it is evident when the Colonial Cane Sugar Industry is stamped out, the British consumer will be at the mercy of foreign manufacturers of beet sugar, who will have a monopoly of the sugar market, and can fix prices to suit themselves.

12. That in presence of the serious and alarming position of the British sugar-producing Colonies, your petitioners are amazed that Her Majesty's Government should stand aloof, without attempting any remedy.

13. That since the abolition of slavery, and the consequent failure of the resident labour supply, your petitioners have, at great expense and to the general good of the Colony, introduced large numbers of East Indian immigrants, and that, should the threatened extinction of the Sugar Industry take place, the question of providing back passages to their country, to which the majority of these immigrants are entitled, will become a source of serious financial trouble.

Your petitioners, for the foregoing reasons, most humbly pray that Your Majesty and the Honourable the Commons of the United Kingdom of Great Britain and Ireland in Parliament assembled will be graciously pleased to grant the relief so urgently required, by adopting any of the following measures, or such other measure or measures as to you may seem fit and right:—

a. The immediate payment from the Imperial Treasury of a sum per ton sugar exported from this Colony equal to the Bounty on export of sugar given by Germany, so as to place the industry in this Colony on an equal footing, and in as favourable a position as that of foreign countries now exporting beet sugar to Great Britain.

b. The arrangement of a Conference by the European countries giving Export Bounties on beet sugar, with a view to settling a joint agreement for the immediate abolition of such Bounties. This method of relief, to be of any assistance to British Guiana, must be very promptly carried out.

c. The imposition of a countervailing duty on all foreign sugar imported into Great Britain equal to the Bounty given at the port of export.

And your petitioners, as in duty bound, will ever pray.

Georgetown, Demerara,
24th November 1896.

No. 31.

MR. CHAMBERLAIN to GOVERNOR SIR A. W. L. HEMMING.

SIR, Downing Street, January 18, 1897.

I HAVE the honour to acknowledge the receipt of your despatch of the 25th of November,* transmitting a Memorial addressed to Her Majesty the Queen and the Members of the House of Commons by the Planters' Association of British Guiana.

I have to request that you will cause the memorialists to be informed that I have received their petition, that it has been laid before Her Majesty, and that I will also present it in due course to the House of Commons.

I have, &c.
J. CHAMBERLAIN.

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* No. 30.

TRINIDAD.

No. 32.

GOVERNOR SIR F. NAPIER BROOME to the MARQUESS OF RIPON.
(Received January 25, 1895.)

MY LORD MARQUESS, Government House, January 9, 1895.

I HAVE the honour to transmit, for your Lordship's directions thereon, a report of a Select Committee of the Legislative Council, "on the present depression in, and "proposed relief to, the Agricultural Industries of the Island." I also enclose extracts from the Council minutes,* and newspaper reports* of the debates, together with articles and letters* which have appeared in the local press on the subject.

2. As it seemed very inexpedient to leave the Customs tariff and other fiscal changes recommended in a state of uncertainty, I consented to the *pro forma* adoption of the report by the Council on the day it was presented, the 31st ultimo, and the necessary Ordinances were introduced and passed, and are forwarded by my despatches of this date.* It is fully understood, however, that the proposals of the Committee remain subject to further consideration and to your Lordship's decision, and that the permanency of the tariff and other changes which have been made must depend on this.

3. The whole of the unofficial members of the Legislative Council were appointed to this Committee, and the report may be taken to express their unanimous, or almost unanimous, opinion. A minority report was sent in by the Protector of Immigrants, the Honourable C. Mitchell. I annex a copy of it. Mr. Mitchell's remarks deserve attention.

4. There can be no doubt whatever that the sugar industry of Trinidad, as of other British Colonies, is at present in a very depressed and critical condition, and that it deserves and urgently needs any assistance which can properly be given to it. The question is whether what is now proposed is (*a*) sound in principle, and (*b*) likely to be of real use in enabling the sugar planters to cope with the bad times, and to keep their estates in cultivation until prices improve. I confess, I have very strong doubts on both these points.

5. I brought the report before the Executive Council on the 4th instant, when that Body made the following minute:—

"The Council are of opinion that the assistance given to the sugar industry, if the proposals of the Select Committee are adopted, will be so trifling as to benefit or alter but little, if at all, the present position of that industry in this Colony; and, moreover, they cannot approve, in principle, of giving direct assistance from public funds, amounting, in fact, to a bounty, to any industry.

"The proposals regarding the tariff, excise, and license alterations are not, in the opinion of the Council, in themselves on the whole objectionable, though susceptible in some details of amendment. The Council, however, decidedly object to the proposed alteration of the land tax.

"The Colonial Secretary, having acted as chairman of the Committee, refrains from expressing any opinion."

6. I annex a memorandum by the Government statistician (Mr. H. J. Clark) showing the extent of the proposed assistance to the several industries. The assistance proposed to be given to the sugar industry amounts, it is estimated, to about 8*s.* 4*d.* a ton, or 4·17 per cent. on the value of the sugar produced. The cocoa industry will be aided to the extent of about 2*s.* 6¾*d.* per bag, or 3·20 per cent. on the value of the cocoa produced. The cocoa-nut industry (which is in a very depressed state) will receive a small bonus under immigration and land tax charges, and will be further assisted by a protective duty of 10*s.* per 1,000 on cocoa-nuts, and by raising the duties on all meal, except wheaten, from 1*s.* 6*d.* to 2*s.* 6*d.* per barrel, and on all oils, except kerosine, from 6*d.* to 1*s.* 3*d.* per gallon.

* Not printed.

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7. That the foregoing measures, at least those regarding sugar and cocoa, amount to an initiation of the bounty system in Trinidad can hardly be gainsaid.

8. I will quote the following from the Duke of Newcastle's despatch of the 30th of October 1859, disallowing certain taxation Ordinances of that year:—

"The application of public money drawn from the colonists at large to the support or encouragement of any species of industry and enterprise is in the nature of a bounty upon that species, and is opposed to all received principles of commercial policy."

9. In their circular of the 17th of last month, the West India Committee also write:—

"Would it not seem to be to the interest both of Germany and France to reduce their export bounties, thus checking over-production and placing their respective industries on a sounder footing? To increase the State subsidies would only seem to lead to the further depression of their industries."

10. In former years Her Majesty's Government have disapproved proposals to assist the sugar grower at the expense of the community, nor were such suggestions countenanced at the time of severest sugar depression. Stands political economy where it did, if it has ever stood at all?

11. I cannot but agree with the Executive Council that 8*s.* 4*d.* a ton is but a trifling assistance to the sugar industry, and can have little effect on its position in Trinidad. The serious question of the cultivation or abandonment of an estate, for instance, can hardly be affected, while the taxation of the Colony will be deranged in a manner open to criticism. If sugar cannot at present be cultivated *(see* the Report*)*, except at a loss of "2*l.* to 3*l.* a ton," a subsidy amounting to 8*s.* 4*d.* a ton cannot avail. It may be said that it is better than nothing at all, and so it is, and so far it will of course be readily accepted by sugar planters and their mortgagees, but it cannot be described as a measure of real efficacy.

12. It appears to me to be extremely unwise to disturb the land tax of this Colony. I enclose a memorandum on this point which I have obtained from the Sub-Intendant of Crown Lands (Lt.-Col. Wilson, C.M.G.), and with which I entirely concur.

13. Is it not better, even, that some of the least productive sugar estates should be abandoned by a process of natural selection rather than that such estates should be encouraged for a time by a small bounty? Does not a bounty system merely lay a train for a general and sudden catastrophe, instead of a gradual one, if there is to be a catastrophe at all, which I earnestly trust not?

14. The chief cause of the existing low prices of sugar is over-production. Of this there is no doubt. Subsidies assist over-production. The West India Committee point out this. May not the better remedy be the improvement, or even the abandonment, of inferior cultivation and manufacture, and the hope of higher prices consequent on the operation of the ordinary laws of supply and demand?

15. The present depression of the sugar market must be either temporary or permanent. If temporary, is there a sufficient reason for the inadequate measure proposed, and should not the sugar planter take the risk of his enterprise, of the good and of the bad years, seeing that one of the former may, as is well known, make up for four or five of the latter. If the depression be permanent, is it not far out of reach of any assistance which can be given from the Colonial chest?

16. The coffee planters of Ceylon were, not long ago, involved in general loss and ruin by the coffee leaf disease. What measures of relief from public funds were devised and afforded to them?

17. Cocoa growing is at present, perhaps, the most prosperous agricultural industry in the world. There is no case whatever for assisting it at the public expense. To do so, and to reduce the land tax generally, no doubt conciliates opposition, but it is otherwise a gratuitous interference with the existing order of taxation.

18. Much as I sympathise with the planters and cultivators of Trinidad, I am unable to come to any other conclusions upon the facts of this matter than those I have indicated. The interests concerned are, however, very large and very strong, in London as well as in Trinidad, and it will not unreasonably be contended that what has been conceded in Demerara cannot fairly be refused here. This is another way of looking at the question, but I may remark that the circumstances of the two Colonies are dissimilar, sugar being the only well-established industry in Demerara. At the same time, there is no doubt that the general ruin of the sugar planters of Trinidad would materially affect, for years, the prospect of the Colony. This, of course, is a very serious consideration indeed.

19. With regard to the Customs tariff passed by the Legislative Council, I agree with the view expressed by the Executive Council. By itself there is nothing very

objectionable in it, as will be gathered from a study of the table of Customs duties in this and other Colonies which I have had prepared and annex.* If more revenue were urgently needed for public purposes of the necessary and non-debateable kind this tariff might be agreed to. The question is, whether a case is made out for asking the poorer classes of Trinidad to pay higher prices for their bread and cheese, their salt, fish, and meat, in order to do, at any rate, something for their sugar estate employers in the present crisis of the sugar market, and in order to conciliate cocoa planters by a like bonus.

20. To the excise duty of 10*s.* 6*d.* per gallon on cordials there can be no objection; and 2*l.* is not too high a charge for the license of a cocoa dealer, though, I think, it would be more just to charge 1*l.* for a country license and 5*l.* for a town license. The proposed carriage tax will give rise to difficulties with the municipalities, but if it were necessary I see no great objection to it. Even without the other proposals I would support the reconsideration of the Customs tariff, from the point of view of revision in consequence of the abrogation of the Washington Agreement which followed the McKinley Act.

21. The history and aspect of the question now submitted has a connexion with the question whether the political constitution of Trinidad, as it now exists, sufficiently represents and safeguards all the interests of the Colony. But in view of the discussion on that matter now proceeding in the Legislative Council I shall not at present further refer to it.

22. I have, as is my duty, expressed my opinions frankly, and without fear or favour, in this important matter. It has been left to me to dwell upon what appears to be the other side of the question, and I have done so. But this, as I fully admit, is a question which must be looked at from both sides, and your Lordship now has them before you.

23. Awaiting your Lordship's earliest, and, if possible, telegraphic directions, on this very important and pressing matter,

I have, &c.
F. NAPIER BROOME.

Enclosure 1 in No. 32.

AGRICULTURAL INDUSTRIES.

REPORT of the SELECT COMMITTEE of the LEGISLATIVE COUNCIL on the PRESENT DEPRESSION IN, and PROPOSED RELIEF TO, the AGRICULTURAL INDUSTRIES of the ISLAND.

Council Paper No. 248 of 1894.

The Select Committee appointed by the Honourable the Legislative Council on the 3rd of December 1894 on the following Resolution:—

"(1.) That the low prices now ruling for agricultural produce render it desirable, so far as consistent with the general interest of the community and with the finances of the Government, to remove or lighten permanently, or for a period, Customs duties or other taxation, burdens, or disabilities now pressing upon the sugar, cocoa, and cocoanut industries;

"(2.) That a Select Committee of this Council, to consist of the Honourable the Colonial Secretary (Chairman), the Honourable the Protector of Immigrants, the Honourable the Receiver-General, and the Unofficial Members of the Council, be appointed to consider the Customs tariff and the matter generally, and to make recommendations therein; and that it be an instruction to the Committee to consider the ways and means of giving effect to their recommendations, and to advise how any deficiency of revenue arising therefrom is to be made good,"

have the honour to report as follows:—

1. It is the opinion of the Committee that depression exists in the sugar industry, due to over-production, operation of the American Sugar Trust, and other causes.

2. To ascertain the extent of the depression evidence has been taken from seven gentlemen, planters of long experience, and others (Annex "D"),* from which it is gathered that the average cost of production of a ton of sugar is between 12*l.* and 13*l.*, made with all the modern improvements in machinery and the most recent methods of working sugar-cane estates. The market price of a ton of sugar, with its offal, on the 17th of December 1894, was about 10*l.*, which shows a clear loss to the producer of 2*l.* to 3*l.* on every ton of sugar manufactured.

* Not printed.

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3. At a meeting of the Committee on the 18th of December the following motion was agreed to, the Protector of Immigrants objecting, as he was in favour of one year's relief instead of three years, viz. :—

"That two-thirds of the cost of immigration should, for a period of three years, be paid out of the general revenue, in lieu of one-third, as at present, and that the house and land tax for the same time be reduced by half. Provided that the prices of produce do not in the meantime materially improve relatively to the cost of production."

4. The following figures, taken from the Estimates for the year 1895, and the estimate of the Immigration Account for the year ending 30th September 1895, give the probable loss to the revenue, if these suggestions are adopted, namely:—

	£
Cost of immigration for the year ending 30th September 1895 -	69,748
One-third extra to be paid from general revenue - - -	23,239
House and land tax for 1895 - £35,000	
Remission of half - - - - - -	17,500
Total loss to general revenue - - - -	£40,739

5. By the above, not only will the principal industries of the Colony be assisted, but the general community will be partially relieved from a direct burden.

6. To this loss must be added the loss to the revenue caused by the reduction of the immigration taxes from the amounts at which they stand in the Estimates for 1895 to the amounts provided by the Immigration Fund Ordinance No. 42 of 1894.

	£
The Estimates under this head provide for a revenue of - -	42,046
The Immigration Fund Ordinance provides (assuming the crops to be the same as they were in the years 1893 and 1894) only for -	35,932
Causing a loss of - - - -	£6,114

7. Adding the losses shown in the preceding paragraphs, the total loss will amount to about 46,853*l.*

8. To meet this deficiency in the revenue, the Committee recommend (Annex E), in the event of the report being adopted, that the Customs tariff be amended so that the articles enumerated in the schedule to this report shall pay duty according to the rates therein specified. This, it is estimated, will provide an increase to the revenue of 43,760*l.*

9. It is, however, proposed to add coal, coke, and patent fuel to the free list, which otherwise will be the same as previous to the passing of the Ordinance No. 3 of 1892. This entails a loss of 1,900*l.* and will reduce the net gain to 41,860*l.*

10. To further reduce the deficiency it is recommended that all cordials manufactured in the Colony should pay an excise duty of 10*s.* 6*d.* per gallon.

11. It is also recommended that there should be an annual tax on such carriages as are not now required to take out licenses, viz. :—

	£	*s.*	*d.*
On each four-wheeled carriage - - - - - -	1	0	0
,, two ,, ,, - - - - - -	0	15	0

12. It is also recommended that every cocoa dealer shall pay 2*l.* per annum for his license.

13. The Honourable the Protector of Immigrants dissents, and will submit a minority report.

14. The Committee attach the minutes of their several meeting (Annexes A., B., C.).*

C. C. KNOLLYS,
Chairman.

Council Chamber,
31st December 1894.

ANNEX "E."

The Sub-Committee appointed to consider what changes should be made in the Customs tariff, and whether any other taxation would be necessary in order to raise the sum of 46,853*l.*, the estimated amount required to meet the proposed charges for

* Not printed.

immigration to be borne by the general revenue and the loss of half the land and house tax, have the honour to report as follows.

They met at the Receiver-General's Office on the 19th instant, the Acting Collector of Customs (Mr. Ross) being also present. They considered the recommendations of the Collector of Customs (Mr. Fanning), made in his letter to the Colonial Office, dated 19th October 1894, the suggestions of the Acting Collector of Customs, Mr. Ross, and the views of the Chamber of Commerce with regard to the alterations in the tariff, and they beg to propose the following changes:—

	Proposed Rate of Duty.	Estimated Increase of Revenue.
	s. d.	£
Bread	1 6 per barrel	1,000
Bricks	3 0 „ 1,000.	—
Boots and shoes	6 per cent.	1,800
Cement	0 6 per barrel	200
Cheese	0 1 „ lb.	500
Corn of all kinds	0 5 „ bushel	1,100
Flour	4 2 „ barrel	5,500
Lard	0 0½ „ lb.	1,400
Meal and other flour, not wheaten	2 6 „ barrel	400
Malt liquor in bottle	1 6 „ dozen	1,100
„ in wood	0 10 „ gallon	300
Match splints	1 3 „ gross.	—
Fireworks	1 3 „ lb.	—
Lard oil	1 0 „ gallon	80
Cotton-seed oil	1 0 „ „	500
Timber	8 4 „ 1,000 feet	800
Tobacco unmanufactured	1 3 „ lb.	4,500
„ manufactured, except cigars and cigarettes	3 0 „ „	2,800
Brandy	10 6 „ gallon	250
Gin	10 6 „ „	250
All other spirits	10 6 „ „	350
Wines in wood, under 23 degrees	1 0 „ „	1,100
„ „ 32 „	1 6 „ „	1,700
„ „ 42 „	3 0 „ „	30
Wines in bottle, „ 42 „	3 0 „ „	200
Grain, including peas, beans, &c. of every description, as per Demerara tariff.	0 2½ „ bushel	1,000
Fish, Dried	1 0 „ 100 lbs.	3,900
„ Pickled		
„ Salmon	4 0 „ barrel of 200lbs.	
„ Mackerel	3 0 „ „ „	
„ Other kinds	1 0 „ „ „	
Preserved meats of all kinds	0 0½ „ lb.	12,500
Slates (roofing)	4 2 „ 1,000	500
Flagstones and tiles		
Cocoa-nuts	10 0 „ 1,000.	—

These alterations are estimated to yield an increased revenue of 43,760*l.*

The schedule of exemptions to be as before the framing of the Ordinance 3 of 1892, with the exceptions noted. Coal, coke, and patent fuel to be placed on the free list, entailing a loss of 1,900*l.*, and reducing the increased Customs revenue to 41,860*l.*

To make up the deficiency the Sub-Committee suggest that an excise duty of 10*s.* 6*d.* per gallon shall be imposed on all cordials manufactured in the island.

They also recommend a tax on carriages:—

	£	*s.*	*d.*
For each four-wheeled carriage	1	0	0
„ two „ „	0	15	0

DAVID B. HORSFORD.
C. LEOTAUD.
WM. HOWATSON.

I agree with the above report except as regards the increase on unmanufactured tobacco (4,500*l.*), this article being principally used by the labouring class.

C. LEOTAUD.

TRINIDAD.

Enclosure 2 in No. 32.

The PROTECTOR OF IMMIGRANTS to the COLONIAL SECRETARY.

SIR, Immigration Office, January 8, 1895.

I HAVE the honour to forward, for the information of his Excellency and the members of the Legislative Council, a minority report in connexion with the report of the Select Committee on Sugar and other Industries which was laid on the Council table on Monday the 31st December 1894. I cannot agree with the conclusion arrived at by the other members of the Committee for the following reasons:—

When we met on the 6th of December it was unanimously agreed to relieve the planters and others of the Immigration Tax, and to reduce the House and Land Tax to one-fourth of the present amount.

On the 18th December another meeting was held, at which it was moved and carried that two-thirds of the cost of immigration should, for a period of three years, be paid out of a general revenue in lieu of one-third as at present, and that the House and Land Tax for the same time be reduced by half, provided that the prices of produce do not in the meantime materially improve relatively to the cost of production.

I was entirely opposed to the principle involved, that the Colony should pay two-thirds of the cost of immigration, but thinking that I might reduce it to one year, I said I was willing to agree to that. On this point, however, the other members of the Committee differed from me, and it is for this and other reasons which I will give that I have thought it necessary to send in a minority report.

I have carefully gone over the evidence given at the meeting of the Sub-Committee appointed, and find that the witnesses generally agree that the cost of production is from 12*l.* to 12*l.* 10*s.* per ton without including interest or cost of improvements, while the present value of the sugar is about 10*l.* It seems, therefore, impossible to conceive how a bounty of $5·00 per ton can at all cover the deficit. The fall in the price of sugar is the result of over-production all over the world, and if all sugar-producing Colonies, as well as those countries which make beet sugar, continue by abnormal means to keep up this over-production, this state of affairs will continue to exist. If it was certain that a small Colony like Trinidad could, by imposing taxation on the general community, hold out longer than other Colonies and the great beet-root manufacturing countries of the world, there might be some reason in the proposal, but when we know as a fact that this Colony during the years 1885, 1886, and 1887 exported an average of about 60,000 tons of sugar, and has come down to an export of less than 50,000 tons, which will probably be smaller this year, the proposals of the Committee will not, I think, meet the requirements of the case.

I also think that we should most seriously consider the question of introducing 3,000 Indian immigrants (statute adults) during the season 1895–96, as there can be no doubt that there is no scarcity of labour in the Colony, but a scarcity of money on many sugar estates employing indentured immigrants. This is, I think, clearly shown in my minute of 14th September 1894 with its accompanying tables, which was referred to the Immigration Committee, but which unfortunately the Committee has not as yet been able to consider and report on for the information of his Excellency and the members of the Legislative Council.

I have, &c.
CHARLES MITCHELL,
Protector of Immigrants.

The Honourable the Colonial Secretary.

Enclosure 3 in No. 32.

MEMORANDUM by the GOVERNMENT STATIST.

The proposed relief to the agricultural industries of the Colony is of a twofold nature:—

1st. The reduction of the *two-thirds* of the cost of immigration *now* borne by the planters to *one-third.*

2nd. The reduction of the House and Land Tax by one-half.

2. The result of the first proposal would be a total relief of 23,000*l.* per annum, *i.e.*, presuming the introduction of coolies to continue at 3,000 yearly. This relief would be distributed as follows :—

	£
Sugar	15,725
Cocoa	6,834
Coffee	31
Cocoanuts	410
	£23,000

Taking the estimated crops for 1895 according to the immigration account (Council paper No. 241) this would be equal to a relief (or additional bonus) of—

6*s.* 6½*d.* per ton on sugar.
1*s.* 4¼*d.* per bag on cocoa.
1*s.* 4¼*d.* per bag on coffee.
9¾*d.* per 1,000 on cocoa-nuts.

3. The result of the second proposal would be more or less a total relief of 17,500*l.*, viz. :—

	£
On house tax	7,500
Land tax	10,000
	£17,500

I have no data in regard to, and but an imperfect knowledge of, the incidence of these taxes, but the Hon. Mr. Leotaud calculates that by the reduction of these taxes to one-half, the sugar industry would be relieved to the extent of 4,370*l.*; this, in my opinion, however, is the *outside* figure of such relief. In the absence of any immediately available data on which to found an estimate, I submit the following as a rough approximate of the probable distribution of the relief under this head :—

	£
Sugar	4,000 (probably less).
Cocoa	6,000 (more or less).
Other industries and village lots	7,500
	£17,500

4. The above sum of 4,000*l.* plus 15,725*l.* brings up the relief to sugar to 19,725*l.*, which on the estimated crop for 1895 (*vide* C.P. No. 241), of 60,000 hogsheads, or 48,000 tons, is equivalent to a relief or bonus of 6*s.* 6¾*d.* per hogshead, or 8*s.* 2½*d.* per ton.

(Mr. Leotaud's figures are 6*s.* 6*d.* per hogshead.)

Sugar will, however, also benefit by the removal to the *free* list of coal and coke, so I estimate the proposed relief to sugar at 8*s.* 4*d.*, or $2·00 per ton.

5. In the same way, adding to the immigration relief of 6,834*l.* the further gain of 6,000*l.* by the remitted half of the House and Land Tax, the total relief to cocoa is 12,834*l.*, equal on a crop of 100,000 bags to 2*s.* 6¾*d.* per bag.

7. Other industries and village lots will, under these proposals, be benefited to the extent of about 8,000, a very considerable part of which sum will be practically a reduction of 50 per cent. on the existing village taxation.

8. Taking the relative values of sugar and cocoa as 10*l.* per ton, and 4*l.* per bag, the result of these proposals will be a grant from general revenue of relief or bonus at the rate of 4·17 per cent. on the value of the former, and 3·20 per cent. on the value of the latter.

9. I desire to add that while the figures of relief are in the cases of the immigration relief—based on ascertained facts and figures—those of the relief under the reduced House and Land Tax are only roughly approximate. The immigration figures are based on the introduction of 3,000 coolies, and would naturally decrease were that number reduced. The proposed relief is to extend over three years: the foregoing figures are for one year only.

H. CLARK,
Government Statist.

8th January 1895.

Enclosure 4 in No. 32.

The SUB-INTENDANT to the COLONIAL SECRETARY.

HON. COLONIAL SECRETARY,

IN accordance with the request of his Excellency the Governor I beg to offer some observations with reference to the proposal made by the Select Committee on Agricultural Industries to reduce the House and Land Tax by one-half.

The proposed reduction is estimated to reduce the general revenue of the Colony by 17,500*l.*

It will relieve the sugar planters only of about 3,500*l.*, an amount which will probably still become payable by the sugar planters under the proposed new wheel tax and the increased Customs tariff.

The balance of the estimated reduction on 14,000*l.* is a tax which in no way presses hard on the people, distributed as it is over every owner of property (sugar proprietors omitted) outside of the boroughs, and I feel pretty confident that the taxpayers generally would much rather continue to pay it and have that amount the more available towards the construction and maintenance of the roads which are so much needed.

I cannot see that this reduction will be of any practical benefit to the sugar industry, and can only conceive that the proposal was put forward as a bid for popularity for the other charges.

However, the really serious objection to the proposal, in my opinion, is this, I think the uniform tax of 1*s.* an acre on land, and the house tax, should never be varied from year to year. Rents and leases are fixed to meet it, and to alter and to vary it from time to time unsettles and upsets the whole system of assessment and Inland Revenue.

I beg to remind his Excellency of the state of chaos in regard to the collection of this revenue which existed little more than a year ago, and call attention to my report of the 11th August 1893 (Council paper 147/1893) on the subject. At that time the number of properties returned in default for each of the three preceding years (1891, 1892, and 1893) had been 4,656, 3,392, and 3,209, respectively.

During 1894, by the successful working of the excellent Land Charges Ordinance No. 28/1893, and the arduous exertions of the Crown Lands Department and of the Wardens, these figures were reduced before forfeiture to 555, 278, and 433 (or less) respectively (*see* Return B., Land Charges, attached*), which has just been prepared to append to my 1894 Annual Report. When these 433 (reduced considerably by payments now being made) warrants for 1893 are passed, the whole of these old arrears will have been successfully wiped off, and we should start now with a clear sheet, and I feel sure comparatively few defaulters in future.

It certainly seems to be, therefore, most unwise that we should now reopen and unsettle this land charges question, which has been so successfully dealt with.

Trinidad land charges compare very favourably with the parish rates, &c. of Barbados and other Colonies, and it should also be borne in mind that the land tax on cultivated land was reduced from 5*s.* to 1*s.* in 1879, and the per cent. increase reduced by 75 per cent. in 1894.

D. WILSON,
Sub-Intendant.

7th January 1895.

No. 33.

The MARQUESS OF RIPON to GOVERNOR SIR F. NAPIER BROOME.
(Sent February 19, 1895.)

TELEGRAM.

REFERRING to your despatch of 9th January,† export duties on sugar, molasses, rum may be reduced by two-thirds during present financial year. Other proposals not approved. Despatch follows by mail.

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* Not printed.

† No. 32.

No. 34.

The MARQUESS OF RIPON to GOVERNOR SIR F. NAPIER BROOME.

SIR, Downing Street, February 25, 1895.

I HAVE the honour to acknowledge the receipt of your despatch of the 9th ultimo* and its enclosures dealing with the report of a Select Committee of the Legislative Council of Trinidad, "on the present depression in and proposed relief to "the agricultural industries of the Island."

2. The inquiries of the Committee as recorded in this report appear to have been of a somewhat superficial and perfunctory character, and to have been directed exclusively to the circumstances of the sugar industry. No indication is given that the cocoa industry is not in a prosperous condition, or that the cocoa-nut and other agricultural industries are depressed, or that, if they be, there is any sufficient reason for subsidising them at the expense of the consumers of imports. The Committee, however, recommend that assistance should be granted to the three industries named, at the expense of general revenue, and that the Land and House Tax throughout the Colony should be reduced by one half.

3. I regret the precipitancy with which this report—from which your Executive Council has expressed its dissent—was disposed of by the Legislative Council and effect given to some of its recommendations, and that the very good reasons for demurring thereto which you set forth in your despatch under acknowledgment, and in which I concur, were not submitted to the Legislative Council or allowed to influence the action of the Colonial Government.

4. The expedient, objectionable in itself, of applying public money to subsidise a particular industry has been recently considered permissible in British Guiana because, in the absence of any other industry in that Colony (except the gold industry, which has not yet assumed very large proportions), it was feared that the failure of any considerable number of sugar estates would seriously cripple the resources of the general community. This reason does not apply to the same extent to Trinidad, and I do not even find any evidence in the report or in your despatch to show that the present condition of the sugar market is likely, unless relief is provided by the Government, to throw so many sugar estates out of cultivation as to cause sudden and serious disorganisation in the Colony.

5. In view, however, of the strong conviction which appears to prevail in Trinidad that the sugar industry is exposed to a serious crisis, and that the grant of some temporary relief is advisable in the public interest, I have felt justified in assenting to the grant of some assistance to that industry, and as I have informed you in my telegram of the 19th instant,† I am prepared to sanction the reduction by two-thirds, during the present year, of the export taxes on sugar, molasses, and rum.

6. There is no reason for granting any subsidy to the cocoa industry, and I am not prepared to approve any assistance from public funds to the cocoa-nut planters.

7. The arguments urged by Mr. Wilson against the proposed reduction of the Land and House Tax are very strong, but as no arguments have been indicated in favour of that proposal it is not necessary to say more than that I am unable to approve of it.

8. The precipitate revision of the tariff and the increase of duties on food and clothing appears to me very regrettable, and I request that you will carefully consider a further revision with a view to the abolition or reduction of those duties.

9. In the meantime I shall tender no advice to Her Majesty with regard to Ordinance No. 45 of 1894, which was submitted in your despatch of the 9th ultimo.*

10. As the proposed increase of duty on cocoa dealers' licenses and cordials will not be required under the conditions which I have approved, I have advised Her Majesty to disallow Ordinance No. 43 of 1894, entitled "An Ordinance to amend 'The Sale of "'Produce Ordinances, 1893,'" and Ordinance No. 44 of 1894, entitled "An "Ordinance to amend 'The Spirits and Spirit Compound Ordinance, 1892,'" transcripts of which accompanied your despatches of the 9th ultimo.‡

11. In view of the alleged probability of the abandonment of some sugar estate cultivation, I should be glad to receive your observations on the suggestion of the Protector of Immigrants that the question of introducing 3,000 Indian immigrants next year should be reconsidered.

I have, &c.
RIPON.

* No. 32. † No. 33. ‡ Not printed.

TRINIDAD.

No. 35.

ACTING GOVERNOR KNOLLYS to MR. CHAMBERLAIN.
(Received November 14, 1895.)

SIR, Government House, October 30, 1895.

29th October 1895. I HAVE the honour to forward, in duplicate, a petition from the Agricultural Society of Trinidad praying that steps may be taken to obtain an abolition of the bounties granted by the foreign Governments on the export of sugar; and, failing the attainment of that object, that steps may be taken to impose a countervailing duty on all foreign sugar imported into the United Kingdom, to pave the way for accepting any favourable reciprocity with the United States; and that in the matter of excise restrictions the Colonies may be treated as part and parcel of the British Empire.

I have, &c.
C. C. KNOLLYS.

Enclosure in No. 35.

To the Right Honourable JOSEPH CHAMBERLAIN, &c., &c., Her Majesty's Principal Secretary of State for the Colonies.

The Humble Petition of the Agricultural Society of Trinidad

SHEWETH—

1. That the present very serious crisis in the Sugar-cane Industry in the West Indies and Trinidad, has been brought about entirely through the excessive over-production of beet, in consequence of the Bounties given by the Governments of European sugar-producing countries, as is clearly shown by the circular of the West India Committee in London, dated January 1895.

2. That the internal taxation of sugar by foreign Governments checks all natural consumption; that whereas in Great Britain and the United States it is 73 lbs. and 70 lbs. per head of the population, in France, Germany, Belgium, and Austria it is only 28, 26, 20, and 17 lbs. respectively.

3. That on the basis of present Bounties, the four foreign Powers named contribute about four and a quarter millions sterling (4,250,000*l.*) towards the encouragement of the Beet Industry.

4. That the unfair and foreign subsidised competition is ruining an industry specially suitable to this tropical portion of the world, and one that could face just and open competition without fear.

5. That the industries of Trinidad are entirely agricultural and the growing of sugar cane is the most important cultivation in the Colony, and no other can take its prominent place; that the welfare and prosperity of the Colony greatly depend upon it. That the sugar estates represent an invested capital of not less than 2,500,000*l.*, their cultivation affords employment to the larger proportion of the labourers and mechanics in the Colony, and about 700,000*l.* is yearly expended in wages, &c., and were their cultivation once abandoned, it could not be resumed without enormous expense.

6. That the present prices are ruinous, and that sugar is selling far below the natural cost of production.

7. That if the present position continues, West Indian planters must succumb, and general ruin of the Sugar-cane Industry is inevitable, and the temporary advantage to the consumer at present derived from an abnormally low price of one of the necessaries of life, might eventually have to be dearly paid for if the continuance of the present policy resulted in the establishment of a monopoly in favour of beet.

8. That the Bounties now stop any chance of British capital being invested in West India sugar growing,

9. That with a natural price for sugar, cane can pay its way even in competition with beet, and capital would again be attracted to the West Indies.

10. That the Colonies are at a great disadvantage owing to the commercial treaties of the mother country.

11. That when reciprocity was offered to this Colony by the United States in 1884, it was refused by the British Government, although the Colony was, in 1815, excluded from the operation of a favoured nation clause.

12. That the United States takes a considerable portion of our sugar crops and supplies us with most of our food stuffs; that it is at present the natural market for the West Indies, and that recently a heavy duty has been imposed there on sugar.

13. That the mother country, while making an allowance on account of excise restriction of 2*d.* per gallon on all British-made spirits exported from the United Kingdom, imposes a surtax of 4*d.* a gallon on Colonial spirits, constituting a large protection on whiskies and other home-made spirits, to the great disadvantage of her Colonies.

14. That the value of sugar and its by-products (rum and molasses), have fallen enormously. That in 1881 the average nett proceeds per hhd. of sugar of various qualities (16 and 18 cwt. each) was $94.50, rum per puncheon, $58; molasses per puncheon, $24; while in 1891 it was reduced to $69 per ton (2,240 lbs.) for sugar, $56 for rum, and $15 for molasses. In 1892, 1893, and 1894 the average proceeds further fell to $68, $38, and $17; $70, $29, and $12; $59, $25, and $10 respectively, while we estimate the 1895 crop at $48, $27, and $8.

15. That the total value of exports from this Colony was, in 1882, 2,452,032*l.*; while in 1894 it only reached 2,000,748*l.*

16. That the imports of machinery and other supplies of British manufacture amounted in 1881 to 828,442*l.*, or 5*l.* 8*s.* 2*d.* per head of population, while in 1894 it only amounted to 835,185*l.*, or, on present estimated population, to 3*l.* 12*s.* 7*d.* per head.

17. That when the census was taken in 1891 the population amounted to 205,000, and it is estimated at over 230,000 now. That they mainly consist of agricultural labourers, about 80,000 of whom are East Indians, introduced at very great expense, and to their betterment, gradually, since 1845. Except about 9,000, the entire population are British subjects.

18. That the difficulty of abolishing the Bounty is great your petitioners are well aware, but it seems, especially at the present time, a very suitable opportunity to re-open the negotiations of 1888–89. The present serious condition of the West Indian Colonies is a practical answer to some of the objections to legislation at that time raised in the British Parliament.

19. Your petitioners therefore humbly pray that you, Sir, will be pleased to earnestly consider the foregoing statements, and place them before Her Majesty's Ministers, so that such steps may be taken as may this time effectually obtain an abolition of the bounties granted by foreign Governments on the export of sugar; and, failing the attainment of that object by diplomatic negotiations, that a proposal be brought before Parliament to impose a countervailing duty on all foreign sugar imported into the United Kingdom equal to the bounty it may have obtained on export; to pave the way for accepting any favourable reciprocity with the United States that may be offered and arranged at any future time; and, referring to Paragraph 13, in every other way to treat the Colonies as part and parcel of the British Empire.

Wherefore your petitioners as in duty bound will ever pray, &c., &c.

Signed and sealed for and on behalf and by authority of the Agricultural Society of Trinidad, 29th October 1895.

G. TOWNSEND FENWICK,
Vice-President.

EDGAR TRIPP,
Secretary.

No. 36.

GOVERNOR SIR F. NAPIER BROOME to MR. CHAMBERLAIN.
(Received November 19, 1895.)

TELEGRAM.

REFERRING to your despatch of 25th February,* paragraph 5, is relief to continue next year? You may consider it desirable. I adhere to view as stated in my despatch of 9th January.†

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* No. 34.

† No. 32.

TRINIDAD.

No. 37.

MR. CHAMBERLAIN to GOVERNOR SIR F. NAPIER BROOME.

(Sent November 22, 1895.)

TELEGRAM.

IN reply to your telegram of 18th November,* No.

No. 38.

GOVERNOR SIR F. NAPIER BROOME to MR. CHAMBERLAIN.

(Received November 29, 1895.)

SIR, Government House, November 7, 1895.

I HAVE the honour, at the request of the Trinidad Chamber of Commerce, to forward a copy of a letter from that body, covering a Resolution in support of the petition of the Agricultural Society of Trinidad, with regard to the Sugar Bounty system, which was enclosed in Mr. Knollys's Despatch of the 30th ultimo.†

2. I most earnestly support both the resolution and the petition.

3. As far as the Colony of Trinidad is concerned I have been conducting its administration on the presumption that the sugar industry may be counted upon as a constituent of prosperity, and have been pursuing a progressive policy. Reflection will show that such a presumption is a necessity to any other than a stagnant and retrograde system of administration.

4. If the sugar industry is to be left to wholesale ruin it will bring down with it both the Government and the community.

5. At the same time I am glad to be able to report that the public finances of Trinidad have been preserved so far in a sound and satisfactory condition. This is largely owing to the great courage with which sugar planters and those who support them have been continuing their enterprise and the investment of capital in the hope of better times. There comes a season, however, when hope deferred makes not only the heart sick (it has done that already!) but the pocket empty, and when there must be an end.

6. I venture to call particular attention to the 13th paragraph of the Agricultural Society's petition and of the Demerara petition, in which it is pointed out that in the dire straits to which the West Indian sugar industry has been reduced by the overproduction forced on by the foreign bounties, there exists a discouraging Imperial duty on Colonial spirits. Is not this susceptible of alteration?

I have, &c.

F. NAPIER BROOME.

Enclosure in No. 38.

The SECRETARY, CHAMBER OF COMMERCE, to the COLONIAL SECRETARY.

SIR, Port-of-Spain, November 4, 1895.

I AM directed to forward the accompanying resolution, and to request very respectfully that his Excellency the Governor will transmit it in the usual course to the Right Honourable the Secretary of State for the Colonies, together with the following observations in regard to the petitions against the system of European Sugar Bounties, to which it refers.

The members of this Chamber desire to state their opinion—

1. That the continental Governments of Europe are well acquainted with the distressed condition of the cane-sugar industry.

2. That principally, if not solely, with the object of destroying the cane competition, they continue to grant bounties which they can ill afford to temporarily bolster up the beet industry.

3. That when the cane industry disappears their end will have been attained, and the continuation of the bounties will be rendered unnecessary.

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* No. 36. † No. 35.

4. That, the beet industry having then no competitors, it will be quite practicable, as has been done in the United States by the "Sugar Trust," to form one combination for disposing of all European beet sugar through one agency, with the object of making consumers in the United Kingdom pay enhanced prices.

5. That British consumers, in allowing the cane industry to be destroyed, are playing into the hands of Continental suppliers, who will most assuredly when the time comes make them pay a heavy penalty for the indifference now shown to the interests, if not the very existence, of these Colonies.

I have, &c.
EDGAR TRIPP,
Honorary Secretary.

The Honourable the Acting Colonial Secretary.

RESOLUTION passed at a GENERAL MEETING of the TRINIDAD CHAMBER OF COMMERCE (incorporated), held at the Commercial News Room, Port-of-Spain, on the 2nd day of November 1895.

Resolved:

That this Chamber desires to support the petitions against the Sugar Bounty system obtaining on the continent of Europe, forwarded to the Right Honourable the Secretary of State for the Colonies by the Chamber of Commerce of the City of Georgetown and the Agricultural Society of Trinidad.

Signed and sealed for and on behalf and by authority of the Trinidad Chamber of Commerce (incorporated).

L.S.

WILLIAM HOWATSON,
President.
EDGAR TRIPP,
Secretary.

No. 39.

MR. CHAMBERLAIN to GOVERNOR SIR F. NAPIER BROOME.

SIR, Downing Street, November 29, 1895.

I HAVE the honour to acknowledge the receipt of Mr. Knollys's Despatch of the 30th of October,* transmitting a petition from the Agricultural Society of Trinidad on the subject of foreign Sugar Bounties.

2. I request that you will cause the petitioners to be informed that I have given the most careful consideration to their application, and have also had the advantage of receiving a full further statement of the case from the members of the West India Committee, representing the sugar planters in all the West Indian Colonies.

3. Her Majesty's Government are deeply sensible of the disadvantages under which the industry has so long laboured in consequence of the Bounties given by some foreign countries.

4. There is some reason to believe that these countries are themselves becoming aware of the mischievous effects of this policy on their own revenues and interests, and, in accordance with the expressed wish of the deputation above referred to, Her Majesty's Government will take advantage of any favourable opportunity to bring home to the mind of the Powers concerned the inadvisability of continuing a system which is not only injurious to the petitioners, but is also disastrous to the true interests of the countries in question.

I have, &c.
J. CHAMBERLAIN.

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* No. 35.

No. 40.

MR. CHAMBERLAIN to GOVERNOR SIR F. NAPIER BROOME.*

SIR, Downing Street, May 27, 1896.

I HAVE the honour to transmit to you, for your consideration, the accompanying copy of a report† of a Committee appointed by the Governor of Barbados in October 1893 to inquire into and report upon the subject of emigration from that Colony.

I have to request that you will carefully consider the expediency of arranging, in conjunction with the sugar planters and the Government of Barbados, for the settlement of Barbadian agricultural labourers, with their families, on or near the sugar estates of the Colony, under contract to labour on the estates for a certain period on conditions similar to those suggested in paragraph 15 of the report of the Commission, with a view of reducing the requirement of coolie labour.

I have, &c.
J. CHAMBERLAIN.

No. 41.

GOVERNOR SIR F. NAPIER BROOME to MR. CHAMBERLAIN.
(Received October 1, 1896.)

SIR, Government House, September 14, 1896.

Governor, 30.10.95. Sec. of State, 29.11.95. Governor, 7.11.95.

WITH reference to the former correspondence,‡ noted in the margin, I have the honour to transmit a further memorial from the Agricultural Society of this Colony, in which it is stated that the position of the Sugar Industry at the dates of the correspondence referred to was serious, but has since been aggravated to an alarming extent by the increase of foreign Bounties.

2. The memorialists ask that no effort be spared by Her Majesty's Government to avert the impending ruin of the sugar cultivation in Trinidad.

3. I need hardly say that the present calamitous position of the Sugar Industry in this Colony is deserving of the deepest sympathy, and of every possible effort to ameliorate it.

I have, &c.
F. NAPIER BROOME.

Enclosure in No. 41.

THE AGRICULTURAL SOCIETY OF TRINIDAD.

To the Right Honourable JOSEPH CHAMBERLAIN, Her Majesty's Principal Secretary of State for the Colonies, &c., &c.

SIR, Port-of-Spain, September 11, 1896.

IN October last year this Society ventured to approach you with a petition, of which copy herewith, setting forth the evil results to this Colony of the Sugar Bounty system obtaining on the continent of Europe.

That petition was strongly supported by the Chamber of Commerce in a subsequent communication addressed to you through his Excellency the Governor.

The position of the Sugar Industry was at that time serious indeed, but it has since been aggravated to an alarming extent by the increase of Bounties in Germany and Austria-Hungary, the probable increase in France, and the rapidly increasing production in America, where the Government of the United State offers every inducement to growers.

There is too much reason to fear that, in the absence of prompt action by the Mother Country, the Sugar Industry of these Colonies, which under conditions of fair competition would yield a reasonable return upon the large capital employed, will be absolutely and permanently destroyed.

The circumstances now are as grave as they can be.

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* A similar despatch was addressed to the Governor of British Guiana.
† Not printed. ‡ Nos. 35, 38, and 39.

The Society is aware that your earnest attention to this most serious state of affairs has already been given, and feels that it is unnecessary now to do more than again beg most respectfully that no effort will be spared by Her Majesty's Government to avert the impending ruin of the sugar cultivation in Trinidad and of the many thousands of persons of all classes dependent upon it for a livelihood.

We have, &c.

JOHN S. WILSON, Vice-President,
EDGAR TRIPP, Secretary,
For and on behalf of the Agricultural Society of Trinidad, whose seal is hereto affixed by authority of a general meeting.

L.S.

LEEWARD ISLANDS.

ANTIGUA.

LEEWARD ISLANDS.

ANTIGUA.

No. 42.

GOVERNOR SIR W. F. HAYNES SMITH to the MARQUESS OF RIPON.
(Received March 21, 1895.)

Government House, Antigua,
March 5, 1895.

MY LORD,

I HAVE the honour to transmit to your Lordship authenticated copies in duplicate of the following Acts* of the Legislature of Antigua, together with a copy of the Attorney-General's report* on each Act.

No. 8 of 1895, entitled "An Act to amend the Package Tax Act, 1893." No. 9 of 1895, "An Act to amend the Land Tax Act, 1892, to suspend the collection of the "Land Tax for the year 1894–95, and to make provision for the consequent loss of "Revenue."

2. The planting body in Antigua asked for some special consideration in the present crisis in the sugar industry, and, following what has been accorded in other Colonies, I endeavoured to meet their views so far as it was possible to do so.

3. The Land Tax reduces the direct tax on land under cane cultivation from 5*s.* to 2*s.* 6*d.* per acre, and suspends the collection of the lower rate for this year, but makes it repayable in three yearly instalments of 10*d.* each in addition to the yearly tax. The Package Tax Act exempts lumber from payment of the Package Tax which has fallen hardly on the estates, as it is levied on bulk.

4. The deficiency caused this year by these permanent reductions are, for Land Tax 2,000*l.*, and Package Tax on lumber 600*l.*, or 2,600*l.* in all, and will be met by appropriating the amount which has remained at the credit of the Immigration Fund, and which is not large enough to be of any use for immigration purposes, and there will be a saving of 1,000*l.* on the Yeomanry Vote, as no further payments will be made this year, and it is proposed that only some 200*l.* should be spent this year on technical education, saving 800*l.* on the estimates. This covers the taxation given up, and it was agreed that for future years the Package Tax should be increased to 9*d.* or 1*s.* per barrel, but it was thought unadvisable to disturb trade until the amount was actually required.

2,000*l.*
600*l.*
2,600*l.*

5. As regards the taxation postponed on cane land, amounting to some 2,000*l.*, power is taken for the Government to borrow the sum if necessary, and repay as the tax is collected, but I do not think there will be any necessity to exercise this power, and it was only inserted as a safeguard.

6. The extreme fall in prices has come after a prolonged and severe drought, which makes the sugar crop now being reaped a small one, but I think Antigua is passing through the double trial with more success than most of the neighbouring islands.

I have, &c.
W. F. HAYNES SMITH.

No. 43.

GOVERNOR SIR W. F. HAYNES SMITH to the MARQUESS OF RIPON.
(Received March 21, 1895.)

Government House, Antigua,
March 6, 1895.

MY LORD,

I HAVE the honour to transmit to your Lordship a copy of a resolution of the Legislative Council of Antigua, asking your Lordship's good offices in moving that proper representations may be made against the anticipated increase in Sugar Bounties to be given by Germany and France.

* Not printed.

2. It is alleged in the public telegraphic news that it is proposed to increase the rates of the Sugar Bounties to be paid in these countries, and if these statements are correct the Sugar Industries in these Islands, as throughout the West Indies, must be very seriously injured, if not extinguished.

3. The proprietors of the sugar estates in these Islands have met the existing Bounties with success; but they have also to meet the combination in the United States of the Sugar Trust, which has such powerful influence in depressing prices. The position of the Sugar Industry in these Islands will be very critical if the Sugar Bounties are to be increased, and if, on the other hand, the West India producer has to meet the combination in America which practically makes only one buyer in the United States. I can only add that the Colony would be deeply grateful to your Lordship if any representation can be usefully made, or if any action can properly be taken.

I have, &c.
W. F. HAYNES SMITH.

Enclosure in No. 43.

Resolved,

Whereas it has been reported by telegraph that the German Government propose to raise its present Sugar Bounty, and that the French Government have decided to increase its Bounty to the same extent: And whereas the present unprecedented depression in the Sugar Industry of the world is undeniably and directly the result of beetroot sugar brought about by the Bounty system in Europe—

Be it resolved,

That this Colony views with the gravest concern the proposed increase of these bounties, and consequent further encouragement to the unfair competition whereby the sugar industry in the West Indies is threatened with extinction:

That his Excellency the Governor be requested to appeal to Her Majesty's Principal Secretary of State for the Colonies for the strongest possible protest against this fresh and unjust attack upon our staple industry:

And, further, that this Colony respectfully submits to the Secretary of State for the Colonies, that the proposed increase of Bounties abundantly proves the great unfairness of the competition created by this system, and that that time has arrived when the British Government should either insist on its abolition or protect British industries by countervailing Bounty-fed imports.

H. OGILVIE BENNETT,
President.

No. 44.

The MARQUESS OF RIPON to GOVERNOR SIR F. FLEMING.

SIR, Downing Street, April 9, 1895.

I HAVE the honour to acknowledge the receipt of Sir Wm. Haynes Smith's Despatch of the 6th of March,* forwarding a copy of a resolution of the Legislative Council of Antigua, referring to the reported intention of the German and French Governments to raise the Sugar Bounties paid in those countries, and soliciting the intervention of Her Majesty's Government.

I have consulted the Secretary of State for Foreign Affairs as to whether any action could be usefully taken in this matter, and it does not appear that there is anything which could be done with any prospect of satisfactory results.

I have, &c.
RIPON.

No. 45.

The MARQUESS OF RIPON to GOVERNOR SIR F. FLEMING.

SIR, Downing Street, April 20, 1895.

I HAVE the honour to acknowledge the receipt of Sir W. Haynes Smith's Despatch of the 5th ultimo,† submitting proposals for the relief of the planting interest in Antigua by certain remissions of taxation.

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* No. 43. † No. 42.

2. I approve the abolition of the Package Tax on lumber, and Her Majesty will not be advised to exercise her power of disallowance in respect of Act No. 8 of 1895 of the Island Legislature, entitled "An Act to amend the Package Tax Act, 1893."

I also approve the remission of half of the Acreage Tax on land under cane cultivation for the current year, and the appropriation of the Immigration Funds, and the reduction of expenditure for the yeomanry and for technical education to meet the resulting loss of revenue; but I consider that these measures of relief should be sufficient, and that it is not advisable to postpone the collection of the other half of the Land Tax as proposed; I have therefore advised Her Majesty to disallow Act No. 9 of 1895, shortly entitled "The Land Tax Act, 1895," and it is disallowed accordingly, and you should introduce in its place a Bill remitting half the Land Tax for the current year, and appropriating the Immigration Fund to general revenue.

I have, &c.
RIPON.

No. 46.

GOVERNOR SIR F. FLEMING to the MARQUESS OF RIPON.
(Received July 11, 1895.)

Government House, Antigua,
June 26, 1895.

MY LORD MARQUESS,

I HAVE the honour to enclose copy of a letter which I have this day received from a sub-committee of the Legislative Council who were appointed to approach me with reference to a resolution which was recently passed by the Council to the effect that the Government, in view of the present industrial crisis, be asked to bring in a Bill to make provision, under certain circumstances, to aid the maintenance and upkeep of estates.

2. A deputation consisting of some of the elected members of the Council came to see me a few days after the resolution was passed, and mentioned to me that what they desired was a measure similar to those that had lately been enacted in Barbados and British Guiana.

3. I told the deputation that I had not had an opportunity of seeing those measures, nor did I know to what extent they had been approved of by your Lordship, but I promised that I would send to Barbados and British Guiana for copies of them, which I have accordingly done.

4. I also stated that before any advance could be made by this Government it would be necessary to raise money for the purpose, as the island possesses no available balance from which such advances could be made, while it is to be feared that the estimated revenue of 53,643*l.* for this year will not be realised.

5. In these circumstances, I said that I would prefer addressing your Lordship before introducing a measure the principles of which your Lordship might not feel justified in approving of.

6. I need scarcely inform your Lordship that the industrial crisis through which the community is struggling is very severe, and I should be very glad if your Lordship could sanction any step which would tend to alleviate the present hardships of the planting body.

7. Without knowing the particulars of the measures passed in the other Colonies alluded to it is impossible for me to express any opinion as to how far they could be made applicable to this island, but should your Lordship, who is doubtless acquainted with them, consider that a measure of a like nature to those referred to may be brought forward, I should be glad, for the sake of the planting interest, to learn your Lordship's decision as soon as possible.

I have, &c.
F. FLEMING.

Enclosure in No. 46.

St. John, Antigua, W.I.,
June 25, 1895.

MAY IT PLEASE YOUR EXCELLENCY,

REFERRING to the resolution unanimously adopted at last meeting of the Legislative Council of Antigua, viz., "That the Government in view of the present industrial

"crisis be asked to bring in a Bill to make provision under certain circumstances to "aid the maintenance and upkeep of estates,"

We, the elective members, desire to confirm our appeal to your Excellency to regard as most urgent and vital the subject of the resolution.

The industrial crisis through which this community is struggling is so grave that we feel sure its dangers must be fully realised by your Excellency, as in this Presidency everyone depends for his livelihood on the profitable working of our one staple, sugar. That product is being sold below cost of production, and even the most sanguine see no near prospect of improvement.

For several years past this island has suffered from a succession of droughts, cane disease has caused in many districts unprecedented damage, and the result from poor crops and low prices combined is that the financial strength of many proprietors has been strained to the utmost.

This season, the worst we have had for many years, is fast closing, and many first-class properties will, it is clear, show heavy losses.

The question is, Can all the proprietors weather the storm, or will some of them be unable to continue cultivation?

That some will have the greatest difficulty is certain, and we have reason to believe that not a few will be unable to do so unless help can be obtained from, as yet, unknown quarters.

Similar conditions have led the Government of Barbados to provide for making advances for the cultivation of estates where the proprietors may be compelled to ask its assistance.

In Demerara, where the community are not solely dependent on the sugar industry, the Government have, with the sanction of the Chief Secretary of State, agreed to make advances for the upkeep of the plantations on the conditions which we submitted to your Excellency.

All the estates here, except one, produce Muscovado sugars, and therefore the rate of advance would be best based on so much, say, 5*l.*, per ton sugar, of the expected crop.

With reference to the aggregate amount which should be allowed, we would suggest a limit of 40,000*l.* to 50,000*l.*, but recommend that only 20,000*l.* to 25,000*l.* should meantime be raised, as that amount might be found sufficient.

Our object in pressing this matter is that the machinery may be ready for affording timely aid where it cannot otherwise be obtained, and as in our opinion such a scheme is necessary to insure us against the abandonment of cultivation over large and important areas.

Such abandonment would be a public calamity, and we, therefore, crave your Excellency's early and most favourable consideration as the time of need and danger is close at hand.

We have, &c.
For all the Elective Members of the
Legislative Council of Antigua,
JNO. J. CAMACHO,
J. FREELAND FOOTE,
H. OGILVIE BENNETT,
} Sub-Committee.

No. 47.

MR. CHAMBERLAIN to GOVERNOR SIR F. FLEMING.

SIR, Downing Street, July 16, 1895.

I HAVE the honour to acknowledge the receipt of your despatch of the 26th of June,* reporting that a resolution had been passed by the Legislative Council of Antigua praying that a Bill may be introduced to make provision under certain circumstances to aid the maintenance and upkeep of sugar estates; and enclosing a copy of a letter addressed to you by a Sub-Committee of the elected members, urging the granting of loans by the Government to planters for the upkeep of their estates, on terms similar to those upon which the making of such advances has been sanctioned in British Guiana.

2. It is impossible for me to consider this application without full details as to the position of the planters and the security they could offer for the repayment of any advances made to them, and without some definite proposal being submitted for my

* No. 46.

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consideration; you will, no doubt, since the date of your despatch, have learnt from British Guiana the nature of the scheme which was approved there.

3. I have, however, to observe that my predecessor only consented to sanction so exceptional a measure in British Guiana because it seemed likely that otherwise a considerable number of estates might be abandoned, and a large number of persons, including coolie immigrants, thrown out of employment, and that I have not as yet been informed that any steps have been taken to carry it into effect.

4. Before recommending the adoption of any similar scheme in Antigua, you should satisfy yourself that exceptional measures are necessary, in the general interests of the Colony, to avert serious consequences; and you should also consider the possibility of a similar application being made on behalf of the planters in St. Kitts-Nevis.

I have, &c.
J. CHAMBERLAIN.

No. 48.

GOVERNOR SIR F. FLEMING to MR. CHAMBERLAIN.
(Received August 22, 1895.)

Government House, Antigua,
August 6, 1895.

SIR,

I HAVE been informed that Sir W. F. Haynes Smith, previous to leaving this Colony, intimated to some members of the Legislative Council that, although he had not had time to prepare a Bill in connexion with the establishment of central sugar factories in this island, it was his intention to do so after he left, and that he would submit such a measure for the consideration of the Secretary of State.

2. I should, therefore, be glad to know whether any such Bill has been submitted by Sir W. F. Haynes Smith to the Colonial Office, and if not, whether you approve of any such measure being prepared for submission to the Legislature.

3. Notice has been given that a question will be put in the Legislative Council on the 8th instant, asking whether it is the intention of the Government to introduce such a Bill. Without your sanction I should not be prepared to take such a step.

4. In so far as I can gather, there is a difference of opinion as to the expediency of establishing central sugar factories in this island, but such as desire legislation in this direction have referred me to the Queensland Act No. 18 of 1893 and the Act lately passed in Barbados as guides for framing such a measure.

I have, &c.
F. FLEMING.

No. 49.

MR. CHAMBERLAIN to ACTING GOVERNOR MELVILLE.

Downing Street, September 5, 1895.

SIR,

I HAVE the honour to acknowledge the receipt of Sir F. Fleming's despatch of the 6th ultimo,* and to inform you in reply that I have not received from Sir W. F. Haynes Smith the draft of a Bill for the establishment of central sugar factories in Antigua, to which you refer.

No information has yet come before me to indicate that such a measure as is suggested is specially necessary or desirable in Antigua, and apart from other considerations, the present financial condition of the Presidency seems to preclude the Colonial Government from undertaking the risk involved in the guarantee of the cost of a central sugar factory.

I have, &c.
J. CHAMBERLAIN.

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* No. 48.

No. 50.

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GOVERNOR SIR F. FLEMING to MR. CHAMBERLAIN.
(Received October 14, 1896.)

Government House, Antigua,
SIR, September 30, 1896.

REFERRING to the despatches* noted in the margin, I have the honour to transmit to you the report of a Committee appointed by the Legislative Council of Antigua to furnish me with information relative to the present grave crisis in the Sugar Industry, and in support of the following resolution which was unanimously adopted by the Council:—

Gov. to S. of S., of 26 June 1895.
S. of S. to Gov., of 16 July 1895.
Gov. to S. of S., of 6 Aug. 1895.
S. of S. to Gov., of 5 Sept. 1895.

"Resolved that this Government be respectfully asked to approach the Imperial Government, and to place before it the immediate necessity of introducing a Bill similar to that passed by the Colony of Queensland, called the Sugar Works Guarantee Act of 1893, for the purpose of guaranteeing interest on debentures to be issued under such an Act, and thus to render such an Act of general benefit to the Sugar Industry of the Island, for unless some such help is given the consequences will be disastrous to the general welfare of the Presidency, which is entirely dependent on that industry."

2. In order that I might forward to you all the information possible bearing upon this matter, I requested Mr. Watts, the Government analyst, who, it will be seen from the Committee's report, has taken much interest in this question, to favour me with such observations as he could on the expediency of passing a law in Antigua similar to the Queensland Act, and I enclose a copy of the remarks† with which he has been good enough to furnish me.

3. I also enclose a diagram† which has been carefully worked out by Mr. Watts, showing the relative proportions of cane and beet sugar in the years 1871, 1881, and 1891, as also the production of sugar, both cane and beet, in different parts of the world in the year 1894.

4. The enormous increase of beet over cane sugar during recent years will easily be seen from the diagram, a result which has had, and is having, so serious an effect upon the sugar planters in the West Indies.

5. The principal object of introducing a measure similar to the Queensland Act is to be able to procure machinery which will prevent the enormous waste of raw material which now takes place in the manufacture of sugar in this Island.

6. As Mr. Watts remarks in his report of sugar making for 1894, which is quoted at page 10 of the report of the Committee, he is not aware of any other industry where upwards of 40 to 50 per cent. of raw material can be thrown away (as is the case with sugar making in Antigua) and successful competition be maintained with others who secure and turn to account the enormous amount of wasted material.

7. It will be seen that the Committee in paragraph 11 of their report urgently point out the necessity of the Imperial Government giving the guarantee provided for by such a measure as the Queensland Act, as such would enable money to be obtained more readily and at much less cost than if the guarantee were confined to the local Government.

8. This would undoubtedly be the case, but as I pointed out to the Committee, the important question to consider is—What security can be given in return for the guarantee, whether it be an Imperial or a local guarantee?

9. I stated that, in my opinion, it would be absolutely necessary for such a guarantee to be given as is referred to in sections 11, 12, and 13 of the Queensland Act, a copy of which I enclose for reference.† It will be seen from Mr. Watts's remarks that he entirely agrees with me on this point, and I may add that the members of the local Excutive Council, to whom I mentioned the subject at a recent meeting, expressed the same views.

10. There can be no doubt that unless assistance can be afforded to the planters of Antigua, a serious crisis must come to pass in the near future.

11. I am informed that instructions have already been received to abandon some of the sugar estates in the Island, and as, unlike some of the other West Indian possessions, this Island is entirely dependent upon sugar, the abandonment of its estates must mean ruin to the country.

12. It may be a subject for regret that more attempts have not been made to encourage minor industries. But we must face things as they are, not as they might be if other steps had been taken.

* Nos. 46, 47, 48, and 49.

† Not printed.

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13. I am prepared to admit that Antigua is an Island peculiarly well-suited for the growth of sugar, probably more so than any of the other British West Indian Colonies, and this has probably had some effect in the Sugar Industry being preferred to the exclusion of all others.

14. I trust that it may be possible to do something to improve the condition of the planting body, either by the passing of such a measure as they believe will help them, or by any other means that can be suggested.

I have, &c.
F. FLEMING.

Enclosure in No. 50.

To his Excellency SIR FRANCIS FLEMING, Knight Commander of the Most Distinguished Order of Saint Michael and Saint George, Governor and Commander-in-Chief of the Leeward Islands, Chancellor, Vice-Admiral, and Ordinary of the same.

We, the members of the Committee appointed by the Honourable the Legislative Council of Antigua to furnish your Excellency with information, relating to the present grave crisis in the Sugar Industry in Antigua, and in support of the resolution below set out, unanimously adopted by the members of the Legislative Council, beg to lay before your Excellency the following report:—

1. The resolution above referred to was adopted by the Legislative Council on the 3rd day of September instant and is as follows:—

"Resolved that this Government be respectfully asked to approach the Imperial Government and to place before it the immediate necessity of introducing a Bill similar to that passed by the Colony of Queensland, called 'the Sugar Works Guarantee Act of 1893,' for the purpose of guaranteeing interest on debentures to be issued under such an Act, and thus to render such an Act of general benefit to the Sugar Industry of the Island, for, unless some such help is given, the consequences will be disastrous to the general welfare of the Presidency, which is entirely dependent on that industry."

2. We at once put ourselves in communication with the various agricultural, mercantile, and professional bodies of the Island, with a view of obtaining if possible the opinions, desires, and suggestions of every branch of the community towards the averting of what is universally conceded to be a present immediate danger, namely, that of the utter collapse of the sole industry of Antigua and consequent widespread and irremediable ruin. The efforts of the Committee have been so far successful that, of those to whom application has been made, none have replied unfavourably.

3. Our labours have been most materially aided, and to a very large extent lessened, by reference to the valuable reports of Francis Watts, Esquire, F.C.S., F.I.C., Assoc. Mason Coll., Government Analyst in Antigua, on the manufacture of muscovado sugar in Antigua in 1893 and 1894, published respectively in 1894 and 1895, and his final report on the Sugar Industry in Antigua, issued in 1896. Copies of these works are appended to this report, and the members of this Committee, keenly alive as they are to the accuracy and significance of the facts and figures set forth by Mr. Watts, and realising as they do the grave menace of impending disaster at which he points, by reason of the existing method of manufacture of sugar in Antigua, thoroughly handicapped as it is by the prevailing pernicious Bounty system, have, with Mr. Watts's readily accorded permission, drawn largely upon these sources of information for supplying the matter of this report.

4. Of the authenticity of the facts and figures given by Mr. Watts there can be no doubt, and while, of late years, there has existed a tendency to discuss the advantages of improved machinery and sugar works, it has now become the expressed opinion of the entire community that unless sugar can in the future be made by their use, cultivation of the estates in this Island must be permanently abandoned.

5. On page 5 of Mr. Watts's report, issued in 1896, he writes—

"Looking at the question broadly, it would appear that in those West Indian Islands, where the Muscovado Industry has been firmly established for a very long period, where labour is cheap and the canes and the resultant juice of exceptionally good quality, the muscovado process, in spite of its wastefulness, has been able to hold its own, and that the natural advantages incident to sugar *growing* in these Islands are equal to and counter-balance the advantages which countries less favourably situated derive from improved machinery and improved manufacturing processes.

"If this is so, it is at once evident what an immense gain the introduction of good machinery and proper manufacturing processes would afford. Probably, sugar could be produced here at a cheaper rate than in any other part of the world. This would mean the strongest possible trading position, for the industry would be remunerative when prices had fallen below the cost of production in other countries—a point of too great importance to be over-estimated."

With all of the above we heartily agree, and feel strongly that by the introduction of a measure, if not exactly on all-fours with the Queensland Sugar Works Guarantee Act—which, however, is eminently desirable—at any rate, very similar thereto, such advantages as Mr. Watts refers to will be obtained.

6. The following remarks of Mr. Watts, on page 1 of his report of sugar making, 1894, are true and instructive. After pointing out the care and attention paid to the growing of canes, while the details of their manufacture into sugar are neglected and, for the most part, hardly understood, Mr. Watts says:—

". . . . This is not surprising: the Colony is merely passing through a perfectly well-recognised phase of commercial evolution; most other industries have had a similar experience and have emerged strengthened and consolidated. When the profits of an industry are large it is considered quite unnecessary to keep records showing what takes place at every step of the manufacturing process; the work is conducted day by day in the time-honoured manner; the manufacturer makes a profit and is contented. With the keen competition of modern times this manner of working has passed away for ever with nearly all industries, but has lingered long amongst the West Indian sugar growers: profits become smaller, expenses must be reduced, and returns increased; as a consequence, close attention must be devoted to the business at every stage, to see what is the greatest return that can be obtained by any given process, and what is the minimum cost of producing."

7. Strongly bearing on the present crisis, and strangely prophetic of what is happening to-day are the words of Mr. Watts on page 9 of the same report last quoted.

"Calculations . . . . bring out in a striking manner the importance of the molasses in the muscovado industry, where the relation of prices between sugar and molasses is of paramount importance, for it would seem that, when sugar is worth $2 and molasses 20 cents, it does not matter much whether sugar or molasses is made; if molasses can find a ready sale at 20 cents or over, the muscovado industry becomes a molasses or syrup-producing industry, and the product must receive in its manufacture as much or more care than the sugar now gets. But I would remind you that, under the proportionate prices mentioned, there is no gain in making molasses, but simply no loss, and, therefore, no particular object under these conditions in making molasses rather than sugar. *No doubt it is the value of, and ready sale for, molasses in the past that has kept the muscovado industry afloat in these Islands* [the underlining is ours]. But what is the future prospect of the molasses industry? This is a question for the mutual consideration of merchants and planters. It may be that there is still a possible market for large quantities of molasses at a price bordering on 20 cents a gallon, but when I look at the prospects and reports from other places, I fear that the trade in this direction is decaying, that molasses is gradually but surely losing ground as an article of human food, and being relegated to the category of waste products. In a recent issue of 'The Louisiana Planter' (September 29th, 1894, p. 194) the remark occurs, 'In Louisiana and the tropics molasses has now fallen so low that, unless used for 'distilling, it is practically valueless.' This is the experience of others, and I fear ours differs but little. Absence of a market for molasses means the collapse of the muscovado industry."

What has happened? The writer's prophecy has been fulfilled. There is to-day practically no market for molasses; planters find it unsaleable in most cases, and only saleable at 6 cents per gallon! It is a drug in the market, and Mr. Watts's inferences from that fact seem to us irrebuttable.

8. We would like to draw your Excellency's attention to one vastly important fact, the enormous loss sustained in Antigua by reason of the practice of the present imperfect system of sugar manufacture, and thereby to more strongly advocate the introduction of modern methods involving the use of multiple crushing, multiple effect evaporators, vacuum pans, centrifugals, &c. Again we transcribe weighty words from Mr. Watts's work. In his report for 1893, at page 8, he writes—

"The defects of the muscovado process as conducted in this Island may be summarised thus: The loss from imperfect crushing may be taken at 36 · 4 per cent. —the difference between 55 and 75 per cent. extraction—and allowing that one-fifth of

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the value of the extra yield of juice was absorbed in producing and manufacturing it, we then have 29 per cent. as the monetary loss on mills, and 20 per cent., as shown above, on the muscovado process, a total loss of 49 per cent.; an annual loss to the Island of something like 50,000*l.* to 60,000*l.* at a very moderate valuation.

"These are the losses which might be saved if it were possible to deal with the canes in a modern well-appointed factory."

And in referring to these figures in his report for 1894, at page 14, Mr. Watts says:—

"I do not, however, regard my estimate of our losses as exaggerated; I am aware of no other industry where upwards of 40 to 50 per cent. of raw material can be thrown away and successful competition be maintained with others who secure and turn to account the enormous amount of wasted material."

"We in these Islands appear to have been endowed by nature with advantages to this extent; living and trading on this endowment, we have been lulled into a sense of security, our competitors, by dint of hard work with heads and hands, have created for themselves, what I may term, artificial advantages, and are now abreast or in advance of us. If we neglect to profit by the warning our commercial life will be stamped out, and here, as in other cases, no amount of regret or repentance will reanimate the dead; once let our cane fields go out of cultivation, and, no other staple being substituted, the commercial prosperity of the Colony will be gone, never to return so long as the present commercial conditions prevail."

We cannot reiterate too strongly that what used to be "successful competition" with those who turn to account what we have wasted is now a thing of the past, choked by that same Bounty system to which we have already referred, and that to-day, to again quote Mr. Watts in his report for 1893, page 7, the only other alternative to the improved production of muscovado sugar is "the production of crystals, using "multiple effect evaporators and vacuum pans; for this to be possible the amount "of sugar dealt with in each individual boiling house must be greatly increased."

9. The present position may be represented as follows:—

	£	s.	d.	
Value of muscovado sugar (87°)	7	10	0	per ton.
Value of molasses, 25*s.*, puncheon, 16*s.*	2	1	0	
To make 1 ton of muscovado sugar, together with 1 puncheon of molasses requires 14 tons of cane.				
Cost of manufacturing and packing 1 ton sugar and 1 puncheon molasses	2	7	0	
Now to make 1 ton mixed factory sugar (say 85 per cent. first and 15 per cent. second sugars) requires 10 tons cane.				
First sugars are worth 46*s.* 8*d.* more than muscovado, and taking second sugars at same value as muscovado, the average sugar of factory would be worth 40*s.* more than muscovado.				
Therefore, average factory sugar =	9	10	0	per ton.
With these factors before us we find that 14 tons of cane manufactured by muscovado process realise (sugar, 7*l.* 10*s.*, molasses, 2*l.* 1*s.*)	9	11	0	
Cost of manufacture and packing	2	7	0	
Gross value of 14 tons cane	7	4	0	
Therefore, value of 1 ton	0	10	$3\frac{1}{2}$	
But 10 tons can manufacture by factory process 1 ton of sugar	9	10	0	
Add value of molasses, 40 gallons per ton of sugar at 3*d.*	0	10	0	
	10	0	0	
Cost of manufacture 1*l.* 15*s.* 0*d.* per ton, interest per ton of sugar (at 5 per cent. on 30,000*l.* and sinking fund at 5*l.* 13*s.* 2*d.* per cent.) 1*l.* 15*s.* 0*d.* and 1*l.* 1*s.* 5*d.*	2	16	5	
Gross value of 10 tons cane	7	3	7	
Therefore, value of 1 ton	0	14	9	

It will be seen in these calculations that the facts have been stated rather in favour of the muscovado industry, for it is the painful experience of most of the men engaged in it that they frequently make such sugars testing below 87° and realising proportionately lower prices. The chances are that the muscovado would realise 9*s.* to 10*s.* *less* than estimated. A factory making 3,000 tons of sugar would, on these lines, after paying interest and sinking fund (the latter, of itself, obviously a gain to the Island), save to the Colony 5,112*l.* a year on a capital of 30,000*l.*, or 17 per cent. after paying over 10 per cent. interest.

10. To come to the measure itself, by the introduction whereof we feel confident the commercial failure of the Island will be averted, and its prosperity revived, the Queensland Bill provides for the absolutely necessary alteration in method of cane manufacture, by enabling persons to obtain capital to erect large and costly factories. Its advantages, the members of the Committee think, are, put briefly:—1. It is permissive and not compulsory; 2. It provides for security to be given to the Government on land; 3. It identifies the interest of the factory-owner and the landowner; and 4. There is no need for any action by the Government as long as the factory pays interest.

These advantages seem substantial and adequate.

11. Referring to the raising of the capital for the above purposes, we desire to impress upon your Excellency the absolute necessity for the Imperial Government's giving the guarantee provided for by such a measure as that of the Queensland Bill for this good reason, if for no other, that such will enable money to be obtained more readily and at a much less cost than if the guarantee was confined to our local Government.

12. We cannot close this report without again strongly urging upon your Excellency the necessity for your Excellency's appeal to the Right Honourable Joseph Chamberlain to take some steps to relieve the people of this Colony from the burden of unfair competition with bounty-fed sugar growers under which we are now labouring.

13. In conclusion we earnestly trust that we have been able to convince your Excellency that the present situation is one of grave import, that it is necessary that peremptory action should be taken to save the Island from the want that threatens to overspread it, that the taking of that action lies in the direction of modern improved machinery, &c. for the manufacture of our only product, that this can be accomplished by the extending to us such an opportunity as is offered by the introduction of the Queensland Sugar Bill, and that no time should be lost in so doing, and we feel that, given the valuable co-operation of your Excellency, to whom the whole community now looks for the successful passage of the measures we have already advocated and the strenuous forwarding of the movement, the pressure on whereof has been committed to us, amelioration in our condition *must* eventually be attained.

MONTAGUE W. WHITE,
Chairman.
JNO. J. CAMACHO.
J. FREELAND FOOTE.
CHARLES MAJOR.
D. N. RANNIE.

St. John's, Antigua, 25th September 1896.

No. 51.

ACTING GOVERNOR MELVILLE to MR. CHAMBERLAIN.
(Received November 25, 1896.)

Government House, Antigua,
November 11, 1896.

SIR,

I HAVE the honour to transmit herewith copy of a petition on the subject of Sugar Bounties, which was adopted at a public meeting on the 6th instant.

2. I am informed by the petitioners that the original petition is still being circulated for signatures, but owing to the early departure of the mail it will not be completed until the mail of the 25th instant, when it will be forwarded to me for transmission to you. The petitioners are, however, anxious that I should forward a copy to you by this mail.

3. There can be no doubt that a very grave crisis is at hand with regard to the Sugar Industry, and that under existing conditions it is difficult to see how the sugar-growing

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islands can continue to cultivate the sugar-cane. Such islands as Antigua, which depend entirely on sugar, and which have not been found suitable for the cultivation of many minor products, are likely, as the petition states, to become "outlying waste and "abandoned estates of the Empire," unless some remedy can be found.

I have, &c.
GEO. MELVILLE.

Enclosure in No. 51.

To the Right Honourable JOSEPH CHAMBERLAIN, M.P., Her Majesty's Principal Secretary of State for the Colonies.

Colony of the Leeward Islands, Antigua,
November 6, 1896.

THE humble petition of the undersigned proprietors, lessees, managers, overseers, and artisans engaged in the Sugar Industry of this Presidency, and the merchants, tradesmen, and other residents affected by the condition thereof, sheweth as follows :—

The growth of the sugar cane and the manufacture of sugar is the sole industry on which the welfare of all classes in this community depends, and the soil, climate, and physical conditions of this island render any other industry impracticable for the support of the large population now deriving their living therefrom.

Owing to the unnatural stimulus given to the production of sugar in foreign countries by the Bounty system, the output in such countries is considerably in excess of the needs of the world, and the price of our staple commodity has been thereby reduced below the cost of production to so great an extent that the industry in this Presidency is threatened with total extinction, involving as it must the utter ruin of all classes and interests, and the cessation of all public revenue, with its attendant evil consequences.

The prices of sugar have recently further declined, till they now stand at a point unprecedented in the history of the industry; while on the other hand the burdens of taxation have been increased. If the present position continues West Indian planters must succumb and general ruin of the Cane-sugar Industry is inevitable.

This position is arrived at by the unfair competition of bounty-fed sugar and not by the operation of Free or Fair Trade. If a natural price can be obtained for sugar we are convinced that cane sugar can hold its own in competition with beet. So convinced are we of this that the Legislative Council of this Presidency has unanimously asked the Government to introduce a measure on the lines of the Queensland Sugar Works Guarantee Act, 1893: an Act under which those who utilise its provisions will give mortgages on their lands and properties to the Government, so as to insure the Government against loss; thus affording satisfactory evidence that while asking for relief the sugar growers of this Colony are prepared to make all the efforts within their power to help themselves. They have reasonable grounds to fear, however, that unless they are relieved from the oppression caused by the Bounties, and are admitted to the privileges of Free or Fair Trade their efforts may prove unavailing, for their positions may be made worse by the deliberate attacks of other bounty-fed and protected sugar-producing countries who can thus encompass their ruin.

Your petitioners feel that they have every reason for believing that their position may become even worse than it is at present, when they take the following into account:

(1.) It is quite conceivable that changes may be made in connexion with Bounties on sugars, which may affect our industry still more disastrously than at present; Bounties may be still further increased by France, or even by Germany.

(2.) The election of Mr. William McKinley to the Presidency of the United States, and the effect of his strong Protectionist policy on our local trade—It is quite impossible for this Colony to reduce its present tariff in order to reciprocate for the admission of its sugars into the American market. This tariff is framed entirely for revenue purposes, and is in no way discriminating; the products of all countries alike paying duty. We deem it advisable to point out that it is not possible for land to bear any heavier taxation, and that difficulties lie in the way of raising revenue by equitable means, other than by Customs duties on imports.

(3.) We view with apprehension the probable restoration at no distant date of Cuba to the position of a sugar-producing country of the first rank; indeed there seem evident reasons for expecting that on her restoration she may enter into relationship with the United States, under which Cuban sugars may be admitted to United States markets under preferential conditions—as Hawaiian

sugars are now; under such an arrangement Cuba is capable of supplying the bulk of the sugar thus required; this would mean the exclusion of British West Indian sugars from American markets, as now they are excluded from European markets; and nothing further would be required to complete our ruin, unless in the meantime the British market is open to us.

(4.) A further grave, though perhaps more distant, danger threatens the Sugar Industry of the West Indies in the possible creation of a large cane and beet sugar industry, under Protectionist and Bounty influences, in the United States, whereby there would be raised up in America a condition of affairs similar to that now existing in the beet-sugar industry of Europe.

Your petitioners would respectfully urge, in pointing to these possible dangers, that what they fear is not the natural increase or improvement of the Sugar Industry in any part of the world, but the unnatural and unfair increase which may arise from Bounty systems in their various forms, and they pray that measures may be taken to procure the abolition of the Bounties or to annul their effects so far as British trade is concerned.

Your petitioners feel, in view of the foregoing incontrovertible facts, that unless these islands are to become the outlying waste and abandoned estates of the Empire, the time has arrived for the promptest measure of relief to be adopted by the mother country to save the inhabitants from the utter ruin which is now at their doors, and we would most respectfully suggest the following remedial measures :—

(*a.*) The immediate payment from the Imperial Treasury of a sum per ton of sugar exported from this Presidency equal to the Bounty on export of sugar given by Germany, so as to place the industry in this Presidency on an equal footing and in as favourable a position as that of foreign countries now exporting beet sugar to Great Britain.

(*b.*) The imposition of a countervailing duty on all foreign sugar imported into Great Britain equal to the Bounty given at the port of export.

(*c.*) The arrangement of a conference of the European countries giving export Bounties on sugar with a view to arriving at a joint agreement for the immediate abolition of such Bounties. This being the step which we believe to be the most practical, and the one which would do most to restore the trade in sugar to a natural basis whereon natural prices may be expected.

We honestly and sincerely believe that the adoption of any of the above measures will afford the relief and assistance required.

Your petitioners would urge amongst their claims for consideration on the part of their British fellow-subjects that in the past the West Indies have been sources of great wealth to the inhabitants of the mother country, and that in several ways.

(1.) Many (or most) of the owners of sugar estates resided in Great Britain, so that the large profits which were undoubtedly made in days gone by were for the most part sent thither and spent away from the Colonies, to the benefit of the inhabitants of the mother country.

(2.) When the Sugar Industry was remunerative, an important and lucrative trade existed between these Colonies and Great Britain, whereby wealth accrued to merchants and capitalists resident in the Mother Coutnry. An extensive shipping trade flourished at the same time, to the gain of British shipowners.

(3.) Before the trade in sugar was disturbed by the Bounty system, British refineries manipulated large quantities of West Indian sugar, to the mutual benefit of the refiner and these Colonies. Now, however, our trade is driven almost entirely from British to American shores, and the refining industry of Great Britain is practically killed.

(4.) The public service of these Colonies has afforded openings to Englishmen, so that much money has through this channel, directly and indirectly, benefited those resident in the Mother Country.

The Bounty system so far has had sugar for its object. There are reasons to believe that its operations may extend to other commodities, and that the result may prove as disastrous to other industries as to that of sugar, and that through the operation of Bounties, which in effect constitute commercial warfare, the trade of the whole Empire may be seriously impaired, and the safety of the Empire imperilled: our own case being a particular instance of the disaster which may befall any other industry in the near future if the Imperial Government fails to take steps to protect its trade from the fatal influence of Bounties; and we appeal to our British fellow-subjects to aid us in averting a common and national danger.

And, as in duty bound, your petitioners will ever pray.

LEEWARD ISLANDS.

ST. KITTS-NEVIS.

LEEWARD ISLANDS.

ST. KITTS-NEVIS.

No. 52.

GOVERNOR SIR W. F. HAYNES SMITH to the MARQUESS OF RIPON.
(Received February 21, 1895.)

(Extract.) Government House, Antigua.
February 5, 1895.

I HAVE the honour to transmit to your Lordship a Petition from proprietors and lessees of sugar estates in the Islands of St. Kitts and Nevis asking that certain alterations should be made in taxation and that relief should be afforded them in the present pressure by the use of the Immigration Fund.

I have just returned from a visit to St. Kitts where I met the Local Executive and the Local Legislative Councils, and I was pressed to deal with the subject promptly so as to prevent the industry being disorganised and to lay definite proposals before your Lordship for consideration before I left the Colony.

The total amount of the taxation levied on property in the Presidency is, for Land and House Tax, with the Parochial Tax, 4,550*l.*, and for the Statistical Tax, 3,200*l.*, or 7,750*l.* in all. Looking to the position and wealth of the Presidency it appears just that one seventh of the taxation should be levied on property, and there were grave objections to abolishing the Statistical Tax which could only have been done by increasing taxation on food during this time of pressure to relieve property. I accordingly proposed to the planting body to ask your Lordship's permission to accede to the application to use the Immigration Fund in order to relieve the planters from all direct taxation on property for this year, and the representatives of the body, both in the Councils and elsewhere, have gladly accepted the modified propositions.

I submit the present propositions in the shape of an Ordinance, because the present condition of the sugar market has appeared to your Lordship to justify exceptional measures in other portions of the West Indies, and it was most desirable to do all which might be possible to prevent further pressure on the labouring classes in St. Kitts by still further reducing wages. The thinking portion of the planting body are, I believe, convinced that it is impossible to further reduce wages in St. Kitts without incurring the risk of serious consequences.

The Bill,* of which a copy is enclosed, was passed unanimously by the Unofficial Members, and the Ordinance will be transmitted to your Lordship by the following mail. The measure suspends the collection of the taxes referred to for the current year, and appropriates the Immigration Fund in aid of the general revenue.

The water tax was included, because it was felt that it would be impossible to levy the direct tax on the hut of the labourer, and exempt the property of the sugar estate proprietor.

No reference is made to the wharfage tax, which is a fair tax, and has been a source of profit to the general revenue.

The position of the sugar market is admittedly one causing the most serious anxiety to the proprietors of cane sugar estates. In St. Kitts the land is wholly occupied by the proprietors and the area under cultivation, for food and ground provisions, is lamentably small. The people are, therefore, wholly dependent on the wages paid out each week, and wages have been reduced as far as practicable. In submitting these propositions to your Lordship to meet exceptional pressure I believe that I am promoting the peace of the Presidency.

* Not printed.

Enclosure in No. 52.

To the Most Noble the Marquis of Ripon, K.G., &c.

This, the humble petition of the undersigned proprietors and attorneys of sugar estates in the Presidency of St. Kitts-Nevis, sheweth that :—

(1) The Statistical Tax on produce was imposed on us when the McKinley Tariff Bill was passed, in order to meet the deficit caused in our revenue by taking off certain duties on American goods, and thus allowing our sugars to enter the United States of America free of duty.

Since the passing of the Wilson's Tariff Bill, an import duty of 40 per cent. ad valorem has been imposed on our sugars by the United States of America.

As by the levying of this import duty, the object for which the Statistical Tax was imposed no longer exists, we ask to be relieved of it, and suggest that, in order to meet the deficit in our Treasury, thus caused, import duties be placed on United States American goods identically as they were before the passing of the McKinley Tariff Bill. We ask for the abolition of this tax with great confidence, in view of the oft repeated assurances of his Excellency Sir William Haynes Smith, that no additional taxation would be imposed.

(2) The value of our staple industry—sugar—has so depreciated that it has become absolutely necessary for some help to be given us by the Government.

We ask that the Land Tax be struck off for the present year, and the Wharfage Dues be reduced from one shilling and four pence to four pence per ton. We would point out that these wharfage dues are levied, not alone for the purpose of keeping the wharves in repair (four pence per ton being sufficient for that purpose), but for revenue purposes. We would suggest, in order to meet the deficit caused by not levying these taxes, that the several non-productive works and improvements now in progress (notably the technical school and those works undertaken by the Town Improvement Commissioners) be stopped for the present year, and that should there still be a deficit it be made up from the Immigration Fund.

And we, your Lordship's humble petitioners, will ever pray.

The Presidency of St. Kitts-Nevis.
January 21, 1895.

No. 53.

The MARQUESS OF RIPON to GOVERNOR SIR F. FLEMING.

(Extract.) Downing Street, April 9, 1895.

IN my Despatch of 10th November,* above referred to, I assented to the principle of applying the Immigration Fund to expenditure on Public Works of permanent utility, but under present circumstances it appears advisable, however regrettable, that they should be applied directly in aid of general revenue.

You will have the goodness to inform the memorialists whose petition was enclosed in Sir W. Haynes Smith's Despatch of February 5† that I have authorised the suspension of the Statistical Tax for the current year, but that I regret that the position of the finances does not permit of any greater remission of taxation.

No. 54.

GOVERNOR SIR F. FLEMING to the MARQUESS OF RIPON.
(Received May 2, 1895.)

Government House, Antigua,
April 9, 1895.

MY LORD MARQUESS,

I HAVE the honour to forward a copy of a letter received from the Commissioner of St. Christopher-Nevis, enclosing, for transmission to your Lordship, a copy of a resolution unanimously passed by the Legislative Council, petitioning Her Majesty's Government to take such measures as may be possible for relieving sugar-producing countries from the disastrous effects caused by the increased Bounties given by foreign Governments on the export of sugar.

I have, &c.
F. FLEMING.

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* Not printed.

† No. 52.

LEEWARD ISLANDS.

ST. KITTS-NEVIS.

Enclosure in No. 54.

Commissioner's Office, St. Kitts,
April 2, 1895.

SIR,

I HAVE the honour to report that on Thursday, the 28th ultimo, there was a public meeting held here in connexion with the present crisis in the Sugar-cane Industry and after the meeting Messrs. Todd, Horsford, and Manchester, members of the Legislative Council, and Mr. Adamson, one of the principal planters in St. Kitts, attended at my office and requested me to summon a meeting of the Legislative Council, at which a resolution might be introduced petitioning Her Majesty's Government to take such measures as might be found possible with a view to relieving the Colonial industry from the depression caused by the increased Bounties on the export of sugar given by foreign Governments.

Seeing that the object for which the meeting was to be called was a legitimate one, and also that at the same time an opportunity would be given for proceeding with business, which has been delayed owing to the difficulty of bringing a quorum together, I readily assented to the request, and summoned a meeting for Monday, the 1st April.

The Council accordingly met on that day, and I now forward the resolution passed at the meeting, which I have been requested to submit to his Excellency the Governor, for transmission to the Secretary of State for the Colonies.

I have, &c.
J. S. CHURCHILL,
Commissioner.

The Honourable the Colonial Secretary,
Antigua.

The Hon. J. Briggs asked leave to move without previous notice a fresh resolution on the subject, which was seconded by the Hon. E. G. Todd, and granted.

After reciting the preamble of Mr. Todd's motion, he added the following resolution:—

"That his Excellency the Governor be requested to appeal to Her Majesty's Government to take such measures as may seem fitting or possible to represent to foreign bounty-giving countries the disastrous effects on all sugar-producing countries by the over-production fostered by their policy of giving Bounties.

Mr. Manchester supported the resolution, which was passed unanimously.

A true copy.

T. P. BERRIDGE,
Clerk.

No. 55.

GOVERNOR SIR F. FLEMING to the MARQUESS OF RIPON.
(Received May 2, 1895.)

Government House, Antigua,
April 13, 1895.

MY LORD MARQUESS,

WITH reference to Sir W. F. Haynes Smith's *Despatch of the 6th ultimo*,* I have the honour to transmit to your Lordship a copy of a resolution passed at a public meeting of planters and others, held in the island of St. Kitts, on the 28th of March, on the subject of the anticipated increase of the Sugar Bounties to be given by Germany and France.

I have, &c.
F. FLEMING.

Enclosure in No. 55.

WHEREAS it has been reported by telegraph that the German Government proposed to raise its present Sugar Bounty, and that the French Government have decided to increase its Bounty to the same extent, and whereas the present unprecedented depression in the Sugar Industry of the world is undeniably and directly the result of over-production of beet-root sugar, brought about by the Bounty system in Europe, be it resolved,

That the Colony of the Leeward Islands (of which the Presidency of St. Kitts-Nevis forms a part) views with the greatest concern the proposed increase of these Bounties,

* No. 43.

and consequent further encouragement to the unfair competition whereby the Sugar Industry of the West Indies is threatened with extinction:

That his Excellency the Governor be requested to appeal to Her Majesty's Principal Secretary of State for the Colonies for the strongest possible protest against this fresh and unjust attack upon our staple industry, and, further, that this Colony respectfully submits to the Secretary of State for the Colonies that the proposed increase of Bounties abundantly proves the great unfairness of the competition created by the system, and that the time has arrived when the British Government should adopt such measures, as well as protect British industries, by countervailing duties on bounty-fed imports. It is now a matter of life or death to our Sugar Industry, a matter of life or starvation to our labouring population. A remedy must come very soon. The British Government at vast expense has freed the slaves in these islands; are they now going to let them starve for the benefit of a foreign country?

No. 56.

The MARQUESS OF RIPON to GOVERNOR SIR F. FLEMING.

SIR, Downing Street, May 10, 1895.

I HAVE the honour to acknowledge the receipt of your Despatches of the 9th of April and the 13th of that month,* enclosing respectively a resolution of the Legislative Council of St. Christopher-Nevis and a resolution passed at a public meeting of planters and others held in St. Kitts, on the subject of the disastrous effect upon the Sugar Industry which would result from the increase of the Bounties upon the export of sugar granted by certain foreign Governments.

Copies of your despatches have been communicated to the Secretary of State for Foreign Affairs, but it does not appear that there is any action which could be taken by Her Majesty's Government which would be likely to lead to a satisfactory result.

I have, &c.
RIPON.

No. 57.

ADMINISTRATOR GRIFFITH to MR. CHAMBERLAIN.
(Received November 14, 1895.)

Government House, Basseterre, St. Kitts,
SIR, October 29, 1895.

I HAVE the honour to transmit direct, by special request of the signatories, a petition signed by upwards of 400 persons in this Presidency, composed of planters, merchants, and others engaged and interested in the Sugar Industry, including all the Unofficial Members of the Federal and Local Councils.

2. The prayer of this petition is, I believe, not a new one, but it has gathered considerable force of recent years owing to increased difficulties with which the sugar planting industry in these Islands has had to contend.

3. In transmitting it to you, Sir, I would very respectfully beg to be allowed to add my humble but earnest support to the requests therein contained, and to mention how greatly impoverished these West Indian Islands appear to be from what they were a quarter of a century since, when I first came to reside in them. The reasons for this change are fully set forth in the petition. If relief in some shape or form is not accorded to the inhabitants of these Islands, it is not difficult to foresee to what condition of poverty the population will be reduced in time by estates being entirely thrown out of cultivation, and the consequences which may arise therefrom.

4. The conditions of the bounty system on sugar production of foreign countries are so singular and remarkable that the West Indian sugar grower and those interested cannot understand that any arguments ordinarily resorted to in discussions of free trade or fair trade can be applicable to their case, and they naturally feel that strong and substantial reasons exist under the circumstances for treating the importation of bounty-fed sugar into the United Kingdom upon a very different footing from other commodities.

I have, &c.
T. RISELY GRIFFITH,
Administrator.

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* Nos. 54 and 55.

LEEWARD ISLANDS.

ST. KITTS-NEVIS.

Enclosure in No. 57.

To the Right Honourable JOSEPH CHAMBERLAIN, M.P., &c. &c., Her Majesty's Principal Secretary of State for the Colonies.

The humble petition of the undersigned planters, merchants, and others engaged and interested in the cultivation and manufacture of sugar in the Presidency of St. Christopher-Nevis, Colony of the Leeward Islands

SHEWETH :—

1. That the present very serious crisis in the sugar cane industry of the West Indies and the sole industry of this Presidency has been brought about entirely through the excessive over-production of beet, consequent on the bounties given by the Governments of European sugar-producing countries.

2. That the natural consumption of sugar has been checked in such countries as France, Germany, Belgium, and Austria by the high internal taxation which the Governments of these countries impose on that commodity, the average consumption per head of population being less than a third of that of the United Kingdom.

3. That on the basis of the present bounties, the four foreign Powers named in the last preceding paragraph contribute about four and a quarter millions sterling (£4,250,000) towards the encouragement of the beet industry.

4. That the grossly unfair foreign subsidised competition is ruining an industry specially suitable to this tropical portion of the world, and an industry that can face fair and open competition without fear.

5. That the growing of sugar cane is now and has been for many generations absolutely the only industry in this Presidency, and that the very existence of the Presidency depends upon it. If it should be found necessary to abandon the sugar estates, it is appalling to think what would become of the large labouring population, who are entirely dependent on the sugar industry.

6. That the prices that have recently prevailed are ruinous, and sugar has been sold in many cases below the natural cost of production.

7. That with a natural economic price for sugar, cane can pay its way even in competition with beet, and capital, driven from these Islands by foreign bounties, would again be attracted to the West Indies.

8. That if the present position continues it is perfectly certain that the West Indian planters must succumb, and general ruin of the sugar cane industry is inevitable.

9. That the United States takes practically all our sugar crops and supplies us with the bulk of our foodstuffs; that it is at present the natural market for the West Indies and that recently a heavy duty has been imposed there on our sugar.

10. That when in 1884 a mutually advantageous reciprocity arrangement was offered this Colony by the Government of the United States, Her Majesty's Government vetoed the proposal.

11. That the mother country imposes an unfair surtax of 4*d.* per gallon on Colonial spirits, constituting a large protection on whiskies and other home-made spirits, to the great disadvantage of the Colonial product; and to this may be attributed the closing of nearly all our rum distilleries.

12. That the abnormally low price of sugar has compelled the proprietors of estates to reduce expenditure on labour, &c., to the lowest point possible, with results detrimental in the extreme to the general prosperity of the Presidency, and particularly to the condition of the labouring classes.

13. That the Government expenditure of the Presidency has recently largely increased, necessitating unnecessarily heavy taxation at a time when the industry of the Islands is in a crippled condition. A rigid economy should be exercised in every department of Government administration, and establishments, institutions, and services not strictly necessary should be discontinued.

14. That the difficulty of abolishing or neutralising the bounty is great your petitioners are well aware, but, being assured of the sympathetic attitude of Her Majesty's present advisers, they regard the present as a very suitable time to urge the re-opening of the negotiations of 1888–89. The present serious condition of the West India Colonies is a practical answer to some of the objections to legislation at that time raised in the Imperial Parliament.

15. Your petitioners therefore humbly pray that you, Sir, will be pleased to earnestly consider the foregoing statements, and place them before Her Majesty's Ministers so that such steps may be taken as, in the judgment of Her Majesty's advisers, will effectually obtain an abolition of the unfair bounties granted by foreign Governments

on the export of sugar; and failing the attainment of that object by diplomatic negotiations, that a proposal be submitted to Parliament to impose a countervailing duty on all foreign sugar imported into the United Kingdom equal to the bounty it may have obtained on export, to pave the way for accepting any favourable reciprocity arrangement with the United States that may be offered at any future time. And, referring to paragraph 11, in every other way to treat this, one of the earliest Colonial Dependencies of the Crown, as part and parcel of the British Empire.

Wherefore your petitioners in duty bound will ever pray.

St. Christopher-Nevis,
Leeward Islands,
23rd October 1895.

No. 58.

MR. CHAMBERLAIN to GOVERNOR SIR F. FLEMING.

SIR, Downing Street, November 29, 1895.

I HAVE the honour to acknowledge the receipt of Mr. Griffith's despatch of the 29th of October,* transmitting a petition from planters, merchants, and others interested in the Sugar Industry in the Presidency of St. Christopher-Nevis on the subject of foreign Sugar Bounties.

2. I request that you will cause the petitioners to be informed that I have given the most careful consideration to their application, and have also had the advantage of receiving a full further statement of the case from the members of the West India Committee, representing the sugar planters in all the West Indian Colonies.

3. Her Majesty's Government are deeply sensible of the disadvantages under which the industry has so long laboured in consequence of the Bounties given by some foreign countries.

4. There is some reason to believe that these countries are themselves becoming aware of the mischievous effects of this policy on their own revenues and interests, and, in accordance with the expressed wish of the deputation above referred to, Her Majesty's Government will take advantage of any favourable opportunity to bring home to the mind of the Powers concerned the inadvisability of continuing a system which is not only injurious to the petitioners, but is also disastrous to the true interests of the countries in question.

I have, &c.
J. CHAMBERLAIN.

No. 59.

ADMINISTRATOR GRIFFITH to MR. CHAMBERLAIN.

(Received October 29, 1896.)

Government House, St. Kitts, West Indies,
SIR, October 2, 1896.

I HAVE the honour to inform you that at the request of a deputation of the St. Kitts branch of the Agricultural and Commercial Society that waited upon me I have this day forwarded a telegram to you of the following words:—

"At a meeting of the Society of Agriculture and Commerce, resolution passed respectfully requesting you will be good enough to make urgent representations to Imperial Government as to imminent danger of ruin to all classes, more especially labouring, who altogether depend on sugar, owing to Bounties; continuance of production impossible at present rates."

2. The condition of affairs with regard to the staple industry of this Presidency has not improved since I had the honour of transmitting a memorial from the planters, merchants, and others in 1895, and unless prices improve, or the strain which is at present placed upon producers by the Bounty system is in some way relieved, the general impression is that most of the smaller and some of the larger plantations must be thrown out of cultivation, with the inevitable consequences arising therefrom.

I have, &c.
T. RISELY GRIFFITH,
Administrator.

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* No. 57.

LEEWARD ISLANDS.

ST. KITTS-NEVIS.

No. 60.

ADMINISTRATOR GRIFFITH to MR. CHAMBERLAIN.
(Received November 11, 1896.)

Government House, St. Kitts, W.I.,
October 27, 1896.

SIR,

I HAD the honour, upon the 2nd instant,* to forward direct to you a Despatch confirming a telegram, which I transmitted upon the same date, from the Agricultural and Commercial Society of this Presidency regarding the effect that the Sugar Bounties paid by certain European countries were having upon the planting interest of this Presidency.

2. The enclosed petition addressed to you, sir, and signed by upwards of 600 proprietors, lessees, managers, overseers, and artisans engaged in the Sugar Industry of this Presidency, has been placed in my hands this morning, with the request that I should forward it direct by the outgoing mail.

3. The general prayer of the petition I beg respectfully to be permitted most heartily to support. I cannot too earnestly emphasise the statement that if cane-sugar can only be produced at a loss to the owner or grower, which is at present the case, except in extremely few instances, it must follow that the cultivation of the estates be given up, for owners, resident or non-resident, who possess capital will no longer consent to throw away further funds, nor can those—probably the majority—who have to borrow, obtain further advances upon cultivation the result of which is already branded with failure.

4. The result to this Presidency will be that instead of an annual revenue of over 50,000*l.*, it will be so reduced that it will be impossible to calculate with certainty upon anything, and whilst wholesale retrenchment will have to be adopted, there will arise the still greater problem of having to deal with a hungry, unreasonable, and irresponsible majority inimical to their recent employers as well as to law and order. This is a gloomy picture, but unless the circumstances which produce it are likely to be altered, I can see no other means of depicting it.

5. I must not, however much in agreement with the general prayer of the petition, conceal my non-concurrence in portions of paragraphs 3 and 4 of the same. It is the opinion of several whose judgment is worthy of consideration that the planting element at the time of the recent riots did not, in several instances, act with prudence and certainly not with unanimity, both of which are essentials at times of strikes or labour disturbances.

6. In conclusion I can only add that the signatories are very much in earnest, and I am thoroughly of opinion that they feel and believe the statements to which their names are appended.

I am, &c.
T. RISELY GRIFFITH,
Administrator.

Enclosure in No. 60.

To the Right Honourable JOSEPH CHAMBERLAIN, M.P., Her Majesty's Principal Secretary of State for the Colonies.

Colony of the Leeward Islands, St. Christopher-Nevis,
October 22, 1896.

The humble petition of the undersigned proprietors, lessees, managers, overseers, and artisans engaged in the Sugar Industry of this Presidency, and the merchants, tradesmen, and other residents affected by the condition thereof, showeth as follows:—

1. The growth of the sugar cane and the manufacture of sugar is the sole industry on which the welfare of all classes in this community depends, and the soil, climate, and physical conditions of these Islands render any other industry impracticable for the support of the large population now deriving their living therefrom.

2. Owing to the unnatural stimulus given to the production of sugar in foreign countries by the Bounty system, the output in such countries is considerably in excess of the needs of the world, and the price of our staple commodity has been thereby reduced below the cost of production to so great an extent that the industry in this

* No. 59.

Presidency is threatened with total extinction, involving, as it must, the utter ruin of all classes and interests and the cessation of all public revenue, with its attendant evil consequences.

3. It is but a few months ago that, as a consequence of the reduced price of sugar and the lowering of wages necessitated thereby, the peace of this Presidency was so disturbed that it was found necessary for a ship-of-war to be constantly retained in the roadstead of Basseterre, without which the lives and property of Her Majesty's subjects would have been seriously jeopardised.

4. Your petitioners are of opinion that this disturbance of the peace was in no way attributable to any fault, oppression, or exaction on the part of either employer or employed, but was solely due to the terrible plight to which proprietors and lessees of sugar property found themselves reduced by reason of the unfair competition with Bounty-fed sugar.

5. The prices of sugar have since then further declined till they now stand at a point unprecedented in the history of the industry, while on the other hand the burdens of taxation have been increased to meet the necessity of maintaining public order so recently disturbed, and the necessary expense in coping with and suppressing the recent disturbances occasioned, as we have above shown, by the enforced reduction of wages.

6. The outlook of the Sugar Industry is at this moment so hopeless that your petitioners view with the gravest apprehension the immediate future, which we believe to be fraught with the greatest danger to the public peace by reason of the bulk of the labouring classes not realising to the full extent the conditions which must of necessity govern the rate of wages.

7. Your petitioners feel, in view of the foregoing incontrovertible facts, that unless these Islands are to become the outlying waste and abandoned estates of the Empire the time has arrived for the promptest measures of relief to be adopted by the mother country to save the inhabitants from the utter ruin which is now at their doors, and we would most respectfully suggest the following :—

(*a.*) The immediate payment from the Imperial Treasury of a sum per ton sugar exported from this Presidency equal to the Bounty on export of sugar given by Germany, so as to place the industry in this Presidency on an equal footing, and in as favourable a position as that of foreign countries now exporting beet sugar to Great Britain.

(*b.*) The arrangement of a Conference of the European countries giving export Bounties on beet sugar, with the view to settling a joint agreement for the immediate abolition of such Bounties.

(*c.*) The imposition of a countervailing duty on all foreign sugar imported into Great Britain, equal to the Bounty given at the port of export.

We honestly and sincerely believe that the adoption of any of the above measures will afford the relief and assistance required.

8. In conclusion, your petitioners beg to assure you, sir, that this petition is the outcome and expression of the feeling that at present animates all classes and interests in this Presidency, and we most humbly and respectfully ask your earnest and earliest consideration of the matters herein set forth which so clearly affect our very existence as a community.

BARBADOS.

BARBADOS.

No. 61.

ACTING GOVERNOR LE HUNTE to MR. CHAMBERLAIN.
(Received October 3, 1895.)

SIR, Government House, September 20, 1895.

I HAVE the honour to transmit the enclosed address, passed by both Houses of the Legislature of this Colony, asking that Her Majesty's Government will take such steps as may be deemed advisable to revive and give effect to the Sugar Bounties Convention of 1888, and thus afford some assistance or relief to those portions of Her Majesty's Empire which are dependent on sugar cultivation—and more particularly this Colony—in the present crisis brought about by the difficulty of fair competition in the sugar markets of the world with those sugar-growing countries which are supported or assisted by the bounties in question.

I have, &c.
G. RUTHVEN LE HUNTE.

Enclosure in No. 61.

ADDRESS to the Right Honourable JOSEPH CHAMBERLAIN, Her Majesty's Principal Secretary of State for the Colonies.

1. The Legislature of Barbados desire respectfully to bring to your notice the critical condition in this Island of the industry upon which the inhabitants are principally dependent for their means of livelihood, and by which the political and other institutions of the Colony are maintained, in the hope that you may deem the matter of sufficient importance to be submitted for the consideration of Her Majesty's Government.

2. This Island, one of the oldest of Her Majesty's Colonial possessions, soon after its colonisation by Englishmen in the year 1625, engaged in the cultivation of the sugar cane and the manufacture of sugar, and for this purpose large numbers of people were brought from Africa whose descendants now form the large labouring population.

3. The manufacture of sugar from the sugar cane is the only industry which, under present circumstances, can give employment to the large number of labourers in this Island. The census in 1891 showed the population to be 182,867 in number, and the maintenance of such a large population on an area of only 166 square miles is a matter of much difficulty, and under present conditions causes the Legislature to have grave apprehensions as to the future.

4. In 1888, representatives of the principal countries interested in the production of sugar signed a Convention providing that such measures should be taken as would constitute an absolute and complete guarantee that no open or disguised bounty should be granted on the manufacture or export of sugar. The Legislature regret that the legislative measures needed to render the Convention efficacious have never been adopted, and that the Convention has never become effective. In consequence of the policy of giving bounties to the beet-sugar manufacturers adopted by several European Governments, the output of that commodity has of late been increased to a considerable extent, until at length the production has so exceeded the demand as to detrimentally affect all sugar-growing countries, and the bounty system to which this is due costs the taxpayers of the European countries upwards of 5,000,000*l.* per annum.

5. The Legislature desire to draw your attention to the fact that the population of the Island has attained its present enormous proportions, and the Colony its present position, under conditions which rendered the competition in sugar more fair and equitable than those which at present exist.

6. The Legislature venture to hope that they will succeed in obtaining your assistance in this vital matter from the facts that you have declared your desire to foster the growth and development of Her Majesty's Colonies, especially in connexion with trade and hostile tariffs; and that in the bounty-growing countries themselves there

are indications (notably the conference between representatives of the German, Austrian, and Hungarian Governments recently held at Vienna in reference to the bounty system) that the present is the most opportune time for international negotiations on the subject.

7. The Legislature would most respectfully request you to bring to the notice of Her Majesty's Government the urgent necessity which exists for taking some steps to enable this, and Her Majesty's other sugar-producing Colonies, to compete on fair and equitable terms in the markets of the world, and to assist this Island in the most serious crisis that has ever overtaken it, and would respectfully ask that the necessary steps may be taken to revive the Convention of 1888 above referred to, and to pass the legislative measures needed to render it effective, or that such other aid may be given as to Her Majesty's Government may seem desirable.

JAMES W. PARRIS,
Senior Member Presiding.

Council Chamber,
17th September 1895.

A. J. PILE,
Speaker.

House of Assembly,
17th September 1895.

No. 62.

MR. CHAMBERLAIN to ACTING GOVERNOR LE HUNTE.

SIR, Downing Street, November 19, 1895.

I HAVE the honour to acknowledge the receipt of your despatch of the 20th September,* transmitting an address from both Houses of Legislature on the subject of foreign Sugar Bounties.

2. I request that you will cause the petitioners to be informed that I have given the most careful consideration to their applications, and have also had the advantage of receiving a full further statement of the case from the members of the West India Committee, representing the sugar planters in all the West Indian Colonies.

3. Her Majesty's Government are deeply sensible of the disadvantages under which the industry has so long laboured in consequence of the Bounties given by some foreign countries.

4. There is some reason to believe that these countries are themselves becoming aware of the mischievous effects of this policy on their own revenues and interests, and, in accordance with the expressed wish of the deputation above referred to, Her Majesty's Government will take advantage of any favourable opportunity to bring home to the mind of the Powers concerned the inadvisability of continuing a system which is not only injurious to the petitioners, but is also disastrous to the true interests of the countries in question.

I have, &c.
J. CHAMBERLAIN.

No. 63.

GOVERNOR SIR J. S. HAY to MR. CHAMBERLAIN.
(Received April 16, 1896.)

SIR, Government House, March 27, 1896.

WITH reference to Mr. Le Hunte's despatch of the 6th September 1895,† forwarding a copy of the report of the Emigration Committee appointed by me at the request of the House of Assembly last year to visit certain of the neighbouring islands and report upon their suitability as fields for emigration from this island, I have now the honour to forward the complete report† of the Emigration Commission appointed in October 1893 to inquire and report on the whole subject.

2. Attached to this report is that of the Emigration Committee above alluded to, and also a memorandum drawn up by Mr. Le Hunte embodying, for convenience, the substance of both these reports, and the recommendations which the Commissioners arrived at for the consideration of the Executive and the Legislature.

3. The subject has been carefully considered by the Executive Committee, and the Committee have decided to make the following recommendation to the Legislature:—

"That an office be established in this Colony under a Superintendent, whose duties would be, in the first instance, to find out where special demand exists in

* No. 61.

† Not printed.

this island for employment elsewhere, and what demand exists for labour or settlement in the neighbouring islands or other suitable countries, and through whom emigration, either of labourers under contract or of families for permanent settlement elsewhere, will be carried out."

4. That a pressing necessity exists for establishing some proper system of emigration for our surplus population, especially in seasons like that of 1894–95, when the protracted drought not only curtailed employment on the sugar estates but prevented the peasantry from cultivating food for themselves, no one can doubt; but inasmuch as it will be experimental in the first instance the Executive only recommend that the office of Superintendent of Emigration be created for two years and at a salary of 200*l.* per annum. If the work, as I am confident it will, grows, and the result is successful, it will probably require an increase in expenditure, but for the present no further expense in connexion with the establishment of the office will be necessary; the present Secretary to the Poor Law Board will do the duties of Clerk of the Emigration Office, and a very small sum for office incidentals not exceeding 50*l.* may be asked for.

5. You will see from the latter part of Mr. Le Hunte's memorandum that it is expected that the requirements of the department and the cost of emigration will eventually assume larger proportions, but I think it will be sufficient, in the first instance, to confine it to the initial expenditure recommended by the Executive Committee.

6. I submit the recommendations, before taking any further step, for your favourable consideration, as I believe it affords the best prospect of dealing with a subject which, even in periods of prosperity and plenty, claims careful attention, and in times of hardship and distress would enforce it in a way for which the Government will, if it be wise, be prepared, and I believe that this end is best attained by the means now submitted to your consideration.

I have, &c.
J. S. HAY.

No. 64.

MR. CHAMBERLAIN to GOVERNOR SIR J. S. HAY.

SIR, Downing Street, May 27, 1896.

I HAVE the honour to acknowledge the receipt of your despatch of the 27th of March,* transmitting the report of the Commission appointed in 1893 to inquire into and report upon the question of emigration from the Colony.

2. The Commission appears to me to have investigated the matter very thoroughly, and I concur generally in its recommendations.

3. I approve of the proposals which you intend to submit to the Legislature for providing for the appointment of a Superintendent of Emigration for two years, but in view of the fact that the success of any scheme of aided emigration will mainly depend on the efficiency of this officer I would suggest that his salary should be 300*l.* instead of 200*l.* per annum.

4. When the new Emigration Office is established it shall be supplied with the publications of the Emigrants' Information Office, some of which, particularly the summary of Consular reports on American countries may prove useful.

5. I enclose copy of a despatch† which I have addressed to the Governors of Trinidad and British Guiana suggesting that they should co-operate with your Government in arranging for the settlement of Barbadian agricultural labourers on the sugar estates of those Colonies.

I have, &c.
J. CHAMBERLAIN.

No. 65.

GOVERNOR SIR J. S. HAY to MR. CHAMBERLAIN.
(Received October 14, 1896.)

SIR, Government House, October 3, 1896.

I HAVE the honour to forward a petition on the subject of the export Sugar Bounties paid by foreign Governments, which has been sent to me by the commercial body for transmission.

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* No. 63. † No. 40.

2. It does not appear to me necessary to comment on the petition further than to say that I am not aware that, at least for many years, any concerted action has been taken to establish any agricultural industry in addition to sugar production, although, in a few isolated cases, attempts have been made to cultivate, on a small scale, tobacco, arrowroot, &c.

I have, &c.
J. S. HAY.

Enclosure in No. 65.

To the Right Honourable JOSEPH CHAMBERLAIN, Her Majesty's Principal Secretary of State for the Colonies, &c., &c., &c.

The humble Petition of the undersigned Inhabitants of the Island of Barbados.

Sheweth :—

1. The Bounties hitherto paid on export of beet sugar by foreign Governments interfered with fair trade with the Mother Country, and well-nigh displaced British Colonial cane sugar altogether, by causing such a reduction in its price as to render it unremunerative in its manufacture.

2. Owing to the recent large increase in those Bounties, a corresponding increase in the production of beetroot must inevitably be the result, and lead to the further reduction in the price of all kinds of sugar.

3. For many years sugar growers have struggled under adverse circumstances, and persisted in the manufacture of sugar, in the hope that Bounties would either be abolished or that the British Government would take such steps as would nullify their effect, your petitioners being confident that without the Bounties they could compete on fair terms in the home market with beet sugar.

4. Other and minor industries have from time to time been tried, but have failed to yield satisfactory results, besides having the disadvantage of taking years to establish: hence it is that the manufacture of sugar is the sole industry in this island, and therefore its abandonment would cause not only the ruin of proprietors and lienholders, but also affect the well-being of the whole of the population, numbering about one hundred and eighty thousand people in all.

5. Already this island, even with its teeming population, and its consequent cheap labour, finds it difficult to bring the cost of production within the selling price; if, therefore, the value sinks further, it will be impossible to keep the land in cane cultivation. In fact, on one or two plantations, for the first time in the history of the island, cane cultivation has had to be curtailed, if not abandoned.

6. Under existing circumstances, capitalists cannot be expected either to invest in the purchase of, or by way of loan on the security of, sugar plantations.

7. For the reasons before stated the existence of the Cane-sugar Industry is threatened with abandonment, unless some speedy relief is rendered to your petitioners.

Your petitioners therefore humbly pray that such measures may be taken by Her Majesty's Government as will enable the Sugar Industry of this Island to be maintained on fair and equal terms with beet sugar from other countries.

No. 66.

GOVERNOR SIR J. S. HAY to MR. CHAMBERLAIN.
(Received November 11, 1896.)

SIR, Government House, October 26, 1896.

I HAVE the honour to acknowledge the receipt of your Despatch of 27th May 1896 in reply to my Despatch of the 27th March,* transmitting the report of the Commission appointed in 1893 to inquire into and report upon the question of emigration from this Colony, expressing your approval of the proposals which I intended to submit to the Legislature for providing for the appointment of a Superintendent of Emigration for two years, and suggesting that in view of the fact that the success

* Nos. 63 and 64.

of any scheme of aided emigration would mainly depend on the efficiency of this officer his salary should be 300*l.* instead of 200*l.* per annum.

2. A resolution in which the salary was placed at the figure suggested by you was submitted to the Legislature in due course. In the House of Assembly the action of the Government was strongly opposed, but the acceptance by the Attorney-General of an amendment proposing a reduction of the salary to 200*l.* per annum resulted in the passing of the measure. In the Legislative Council, however, on the concurrence of that body in the resolution being moved by Dr. Chandler, he failed to find a seconder, and the measure fell through.

3. The action of the Council is, I think, due to the fact that there is an abundant supply of cheap food for the labouring classes this year, coupled with every prospect of a good crop next season. There is, therefore, little or no desire, at present, on the part of the people, to emigrate, and the feeling is that the question may be postponed. I regret the decision arrived at, for it is a matter that sooner or later must be dealt with, and such a department requires time for its proper organisation.

I have, &c.
J. S. HAY.

No. 67.

MR. CHAMBERLAIN to GOVERNOR SIR J. S. HAY.

SIR, Downing Street, November 30, 1896.

I HAVE the honour to acknowledge the receipt of your Despatch of the 26th ultimo,* reporting that the Legislative Council had rejected a proposal for the appointment of an Emigration Agent at a salary of 200*l.* per annum.

2. This decision of the Council appears to me to be very regrettable and shortsighted, and altogether inconsistent with the urgent representations which have quite recently been made as to the disastrous prospects of the sugar industry in the Colony, and to be calculated to throw doubt on the greatness of the peril to which the petitions for the relief of the industry so emphatically alluded.

3. When real need arises for relieving the Colony of its surplus population, it will be too late to organise any judicious scheme of emigration, and you should therefore take the first opportunity of bringing the question again before the Legislature, and of urging upon them the considerations to which I have referred.

4. I will only add that I fully concur in the opinion expressed by the Commission on Emigration, that unless the question how the increasing population of the island can be satisfactorily aided to maintain themselves is solved by forethought and well-directed effort, the question will solve itself, at the cost of much pain, disease, and death, which may perhaps be avoided by timely expenditure.

5. I have to request that this despatch may be published.

I have, &c.
J. CHAMBERLAIN.

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* No. 66.

WINDWARD ISLANDS.

ST. LUCIA.

No. 68.

GOVERNOR SIR C. BRUCE to MR. CHAMBERLAIN.

(Received February 22, 1896.)

SIR, Grenada, February 1, 1896.

WITH reference to your despatch of the 1st of October last, and the correspondence* relating to my proposal to establish in St. Lucia a scheme on the lines of the Credit Foncier System, I have now the honour to transmit a draft Ordinance on the lines indicated in my despatch of the 7th of February 1895.*

2. The original draft transmitted by my despatch of the 31st of October last* has been submitted to the Government of St. Lucia and to the local legislators and proprietors, and has met with general approval.

3. I annex a copy of a minute* addressed to me by the Administrator of St. Lucia, forwarding various suggestions submitted by members of the Legislative Council and others on the original draft, and informing me of the recommendations of the Executive Council on these suggestions.

4. In the draft now submitted I have embodied the recommendations of the Executive Council.

5. I have also embodied several suggestions offered in your despatch of the 17th of December,* and I have revised and amended the draft throughout, bearing in mind your counsel that the great object must be to secure the Colony from the possibility of loss.

6. Your despatch of the 1st of October last,* of which I transmitted a copy to the Administrator, made it perfectly clear that you are not committed to the approval of the scheme.

7. The general lines of the scheme are indicated in paragraphs 13 to 15 of my despatch of the 7th of February 1895,* and you will observe that the draft draws a clear distinction between advances to sugar estates to enable such proprietors as have confidence in the stability of the sugar cane industry to tide over a time of depression, and loans extending over a period of years to assist the introduction of new agricultural industries in substitution of the sugar cane.

8. I annex copies of two letters* addressed to me by Messrs. Du Boulay, in which they ask, in effect, that the distinction drawn between the two purposes of the Ordinance may be removed. I will explain the reasons which have led me to adhere to the lines of my despatch of February 7th, 1895.*

9. In my Report on the Windward Islands for 1894,† and in other despatches, I have pointed out that statistics recently published in several Colonies prove conclusively that of late the selling price of sugar has frequently been below the cost of production—a state of things possible only under the system of subsidies adopted by foreign Governments which guarantees the producer a margin of profit though selling below the cost of production. In a recent Report on the Agricultural Industries of Trinidad, Mr. Hart, Superintendent of the Royal Botanic Gardens of Trinidad, has pointed out that the maintenance of the sugar industry in the West Indies appears to depend a great deal upon how long foreign Governments will maintain the bounty system. "In a fair "fight," he adds, "there appears to be not the slightest doubt but that cane-sugar can "hold its own; but if the bounties are continued, which give beet an advantage, "the cane-sugar industry (unless something wonderful intervenes) appears to be "doomed."

10. In this opinion I feel bound to concur, at least so far as to believe that, so long as the bounty system continues, the sugar-cane industry can only be maintained within the

* Not printed.

† Colonial Report, Annual, No. 144.

WINDWARD ISLANDS.

limits of areas exceptionally favoured as regards soil, climate, cheap labour, and facilities for the conveyance of produce to a profitable market.

ST. LUCIA.

11. In the seventh paragraph of my letter of the 23rd September 1895,* addressed to the Under Secretary of State for the Colonies, on the subject of the *Crédit Foncier Colonial* of France, I pointed out that the recent policy adopted by the Council of Administration is stated in their Report of the 30th of May 1895 in the following terms:—

"We are proceeding to a review in detail of the conditions affecting the cost of production in different parts of our properties; determined to stop the cultivation of canes on poor and exhausted lands, which would require considerable expenditure extending over a series of years in order to bring them under a scientific system of cultivation; and determined also to close those mills which leave us yearly losses in consequence of the supply of canes being inadequate to keep them in full work. The lands on which the successful cultivation of sugar has become impossible will be devoted to minor industries involving less costly expenditure."

12. I am glad to have an opportunity of offering the foregoing observations on the position of the sugar industry, as explanatory of the sense in which I ventured to express my concurrence with your opinion "that money would be better spent in stimulating "the cultivation of cocoa and coffee—new and promising industries—than in bolstering "up an old and precarious industry like sugar planting."

13. The provisions of the draft Ordinance, now submitted to you, on the lines of my despatch of February 7th, 1895,* show the measure of support which, as I believe, may be extended to sugar estates—not to bolster up failing or insolvent enterprises, but to assist proprietors who can offer the security of the crop, supported by a first mortgage on the land, by advances to meet the cost of planting, reaping, and manufacturing at a moderate rate of interest. So far as proprietors of sugar estates may desire to substitute new agricultural industries in substitution of the sugar cane, there is nothing to deprive them of the full benefit of the proposed scheme.

14. And here I desire to point out that experience, and I think I may say the experience of the *Crédit Foncier Colonial* in particular, seems to have shown that, in making loans to sugar estates, an exceptionally large margin of security is necessary. The initial expenditure necessary to equip a sugar estate with improved machinery and labour-saving appliances is very large, and it has within the last few years been too often proved that, when an estate has been cropped, the security of the land, with the costly buildings and machinery, is practically valueless as a realisable asset.

15. When a sugar estate fails to pay interest on capital and its working expenses, the available assets after the reaping and disposal of the crop consist of the bare land, the mill buildings, and the machinery. As regards the value of the land, the men of experience whom I have consulted seem to be agreed that the cost of preparing and planting abandoned sugar lands for the cultivation of new industries is considerably in excess of the cost of clearing and planting virgin land; the mill buildings, if sugar cultivation is abandoned, have no commercial value, and are generally left to cumber the ground; too frequently the machinery fetches only the price of old metal. The mortgagee has, therefore, the alternative of supplying fresh capital to carry on a perilous enterprise, or of abandoning the land and all chance of recovering the amount of his claim. When sugar is selling below the cost of production he will probably prefer the latter alternative.

16. In the course of my own experience in sugar-producing Colonies, I have, in many instances, been assured by persons of undoubted authority, that the nominal sale of a sugar estate has been merely a transfer of liabilities. The vitality of the sugar industry has probably owed much to commerce in such transactions, but it is a speculative commerce, in which it does not seem to me likely that Government can engage with advantage.

17. For these reasons I have adhered to the lines of my despatch of the 7th of February 1895,* as regards advances on the security of sugar estates. I believe that the conditions I propose will secure the Colony from all possibility of loss. I am disposed, indeed, to think that the amount of the advance might with safety be increased from one half to two thirds of the estimated value of the crop, and with your consent I should make no objection to the amendment of the draft accordingly.

18. As regards the cultivation of products other than sugar cane, the draft provides for short time advances on the security of the crop on the same conditions as for

* Not printed.

advances to sugar estates. It also provides for loans extending over a period of years. It is obvious that, in the case of cocoa, coffee, and spices, while the initial expenditure for buildings for drying and curing is comparatively insignificant, every penny and every day's labour expended on planting and cultivation contributes towards a permanent improvement, enhancing the value of the security offered.

19. I may now proceed to indicate the results which the machinery of the draft Ordinance is designed to obtain.

20. As regards advances to sugar estates, the export of sugar in 1894 amounted to 4,200 tons, of the value, according to the Blue Book, of 66,000*l.*, to which may be added about 4,000*l.*, the value of the export of molasses. I am unable to give the amount and value of the local consumption. The advances to be made under the new scheme might, therefore, amount to 35,000*l.* if the amount of the advance is limited to one half of the estimated value of the crop, or to 46,000*l.* if the advance is limited to two thirds of the estimated value. It is impossible to say to what extent proprietors might be able to satisfy the conditions upon which advances are to be made. It seems reasonable to suppose that mortgagees will generally recognise that it is to their own advantage that the crop should be reaped and manufactured out of advances obtained at the lowest possible rate of interest; and the Government guarantee ought appreciably to reduce this rate. Probably the advances demanded would be much larger in proportion if the two-thirds limit is adopted.

21. I will assume that advances to sugar estates may be made and redeemed annually to the extent of 30,000*l.*, leaving 120,000*l.* available for advances on account of products other than sugar cane.

22. Section 9 of the draft Ordinance is designed, in the first instance, to give facilities for the cultivation of annuals, or what I may classify roughly as plants that perish with the collection of the crop. The scope for enterprise in this direction is shown in an extract from a St. Lucia local publication inserted in my report on the Windward Islands for 1894, and which I venture to repeat:

"We have fertile land enough lying unproductive in the hands of the Crown in St. Lucia to support, without drawing anything from outside, twice the population of Barbados. When one realises that the plantain produces to the acre 44 times more food than the potato, and 131 times more than wheat; that cassava-meal (farine manioc) yields per acre six times more nutritive matter than wheat; that the banja-yam is more nutritious, bulk for bulk, than the potato; and when one at the same time reflects that the plantain can be grown practically over the whole Island; that the cultivation of the cassava is simple and inexpensive, and the returns very large; that the bread-fruit literally covers the land; that Indian corn will give three crops a year; that the banja-yam grows in wild abundance in our woods, conviction will be compelled that our claim for the capacity of St. Lucia to support a large population solely with her own products is something more than mere boasting."

23. The bread-fruit tree does not, of course, fall within the category of plants I have referred to above; but, on the other hand, the provisions of section 9 would apply to the cultivation of tobacco, were the soil of St. Lucia found suitable.

24. Advances under this section to be made and redeemed annually to the extent of 10,000*l.* would go a long way in supporting the above minor industries.

25. This section will at the same time meet the case of persons who are or may become proprietors of estates in full or partial bearing in cocoa, coffee, spices, &c., but who, although possessed of a free title to the land, may be without sufficient capital to carry on the estate without assistance.

26. Section 13 provides for the liberation of estates from encumbrances paying usurious rates of interest. Great caution will have to be exercised to guard against the possibility of this section being made use of to secure, at the risk of the Colonial Treasury, mortgagees who have advanced money at usurious rates on doubtful security. I have drafted the section so as to prevent it being made use of by insolvent proprietors who merely desire to make terms with their present creditors, and abandon the lands offered in security. The intention of this section, as of the Ordinance throughout, is to enlarge the area of cultivation, not to protect the interests of the present encumbrancers. In view of the high rates of interest hitherto demanded in the Colony, I think it probable that applications for loans under this section will be made to the full extent of the funds likely to be available under the terms of the Ordinance.

27. As the main design of the Ordinance is to extend the area of cultivation in the Colony, I will now endeavour to show in detail how the general provisions of the scheme, apart from those already dealt with, may be reasonably expected to secure this object.

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28. I will deal first with cultivation through the agency of small proprietors.

29. A gentleman in Grenada, who has managed his own small estate with excellent success, has given me an estimate of the cost of planting from 1 to 10 acres in cocoa, and maintaining the cultivation for five years. The following estimate for a 10-acre holding, is based on the figures he has supplied :—

	£
Expenses of 1st year - - - - - -	45
„ 2nd „ - - - - - -	12
„ 3rd „ (including forking) - - -	18
„ 4th „ - - - - - -	12
„ 5th „ (including forking) - - -	18
	£105

This does not include the cost price of the land, which, of course, varies considerably, say, from 1*l.* per acre, the cash price of Crown lands, to 10*l.* per acre for good cocoa land. Assuming that the appraised value of the land is 5*l.* per acre, an application might be entertained for an original loan of 25*l.*, and for additional loans at the end of each year amounting to half of the appraised value of the improvement effected, which I will assume to be half of the amount of the expenditure; although the appraised value, after the first two or three years, would probably be largely in excess of this.

30. At the end of the fifth year the guaranteed loan would thus amount to 65*l.* (half of the aggregate of the original and improved value of the land).

31. For the first five years interest only would be payable. After the end of the fifth year the guaranteed loan of 65*l.*, with interest at 3 per cent., would be redeemed in, say, 10 years, by instalments of about 8*l.*

32. To meet this liability, and the margin of difference between the 3 per cent. rate of interest guaranteed and the 6 per cent. rate which the Company is authorised to impose, the estimated proceeds of the holding in cocoa should be—

	£
In the 5th year, 1 cwt. per acre, at 40*s.* net per cwt. - -	10
„ 6th „ 1½ „ 40*s.* „ - -	30
„ 7th „ 3 „ 40*s.* „ - -	60
„ 8th „ 4 „ 40*s.* „ - -	80
Thereafter 5 to 6 „ 40*s.* „ -	100–120

The annual cost of weeding, picking, and drying, &c., remaining at an average of 15*l.* a year.

33. In this way a sum of about 13,000*l.* would materially assist the development of 200 holdings of 10 acres.

34. Assuming that an acre of cocoa will yield five bags of dry cocoa, worth, at present prices, about 3*l.* per bag, these holdings would yield produce of an annual value of 20,000*l.*

35. The foregoing estimate of expenditure must not be considered as applicable to holdings of over 10 acres. It is based on the presumption that the holding will be worked and supervised by a peasant proprietor, and the gentleman to whom I am indebted for the information adds :

"I consider that between 15 and 18 months after the plantains were put in there would be a return of 435 bunches of plantains and after paying expenses to market net 3*d.* each=5*l.*, and 12 months after 435 bunches net, 1½*d.*=2*l.* 10*s.*, which would nearly pay cost of cultivation for the first three years.

"I also consider that ground provisions should pay the expenses of the remaining three years. The fact of preparing for and digging such things as yams, potatoes, and tannias, loosens the soil, and makes the cocoa come on very much quicker.

"Or the amount of money realised by the provisions may be returned to the cocoa in the way of manure, which would be much better.

"This is applicable to a cultivation from one (1) to ten (10) acres."

36. As regards the value of the return per acre from land in cultivation in cocoa or coffee, which differs considerably in the estimates I have received, I have adopted a low valuation, given me by a gentleman of very great experience. I believe it to be a safe average valuation, and I have been guided by it throughout this despatch in preference to others which have accompanied the estimates of expenditure I refer to. Small, exceptionally favoured areas, have given a return of 15 cwt. per acre.

37. If the land were planted in coffee the expenses for the first three or four years would be about the same, but the cost of picking would increase the subsequent expenditure; the eventual return would be much larger, say:

	£
In 4th year ½ cwt. per acre, at 3*l.* per cwt.	15
„ 5th „ 3 „ „ „	90
From 6th „ 6 „ „ „	180

38. Mr. G. W. Smith, late curator of the Botanic Garden, now manager of valuable cocoa and spice estates, has furnished me with an estimate of the cost of planting and establishing 20 acres of land in cocoa in Grenada. I annex a copy.*

39. The average expenditure for five years is estimated at 25*l.*, but the amount expended each year would, of course, depend on the amount of land cleared and planted. The advances to be made during the quinquennial period, and the interest payable, would vary accordingly. The annual instalments for the redemption of the guaranteed loan after the fifth year would be based on an aggregate loan of about 250*l.*, and would amount to about 30*l.*

40. The gross revenue of the estate after the fifth year would be approximately double the revenue of a 10-acre holding as given above.

41. A planter of exceptional energy and experience, the owner of one of the most valuable estates in Grenada, has been good enough to give me an estimate of the cost of planting and bringing into bearing 100 acres of cocoa, exclusive of the cost of land, roads, and drainage, manager's residence, and labourers' dwellings. This estimate would be applicable to the case of the introduction of cocoa or coffee on lands adjoining or forming part of a sugar estate. I give the yearly expenditure for five years in round sums:—

	£
First year	550
Second year	300
Third year	300
Fourth year	350
Fifth year	350
	£1,850

42. Assuming the value of the land, &c., to be appraised at 500*l.*, and that the improved value from year to year is equal to the annual expenditure, the following guaranteed loans might be made:—

	£
Original loan	250
End of first year	275
End of second year	150
End of third year	150
End of fourth year	175
End of fifth year	150
	£1,150

43. During the first five years the interest only would be payable, and thereafter the guaranteed loan, with interest at 3 per cent., would be redeemable in, say, 10 yearly instalments of about 135*l.*

44. To meet this annual liability on account of the guaranteed loan with a sufficient margin to cover the difference between interest at the rate of 3 per cent. and interest at the rate of 6 per cent., which may be imposed by the Company, the value of the output may be estimated as follows:—

	£
Third year: 15 cwt. at 40*s.* per cwt.	30
Fourth year: 60 „ „	120
Fifth year: 100 „ „	200
Sixth year: 150 „ „	300
Seventh year: 300 „ „	600
Eighth year: 400 „ „	800
Thereafter: 500 to 600 cwt. at 40*s.* per cwt.	1,000 to 1,200

* Not printed.

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45. The return from coffee would be considerably greater, as shown above, with reference to 10-acre holdings.

46. I annex copies of two estimates,* received from Mr. F. Gurney, a member of the Legislative Council of Grenada, and a planter of great experience, and from Mr. G. S. Hudson, a planter of St. Lucia, giving the probable cost of clearing 1,000 acres of forest land and planting the same in coffee or cocoa.

47. With reference to Mr. Gurney's estimate, I have to point out that it provides for felling, clearing, and firing the whole area in one year. This would be practically impossible in St. Lucia in the present condition of the labour market.

48. Mr. Hudson's estimate is better constructed as regards the cost of clearing, &c., but Mr. Gurney's estimate of revenue, which is much lower than Mr. Hudson's, seems to me a safer guide.

49. After carefully considering the estimates, I venture to offer the following summary as approximately reliable :—

Gross Expenditure.

	£
First year	2,500
Second year	5,000
Third year	8,500
Fourth year	9,000
Fifth year	8,000
Sixth year	7,000
	£40,000

Revenue from Cocoa or Coffee.

Cocoa.

	£
Fifth year	2,000
Sixth year	3,000
Seventh year	6,000
Eighth year	8,000
Ninth year	10,000 to 12,000
Tenth year	10,000 to 12,000

Coffee.

Fourth year	4,500
Fifth year	9,000
Sixth year	18,000
Seventh year	18,000

50. As regards revenue from "provisions"—plantains, bananas, yams, &c.—there would be no local market for "provisions" on a very large scale. Mr. Hudson, however, estimates that, if grown for export, they would realise during the 3rd, 4th and 5th years about 1,500*l.* a year.

51. Mr. Hudson, in forwarding his estimate, has explained that it is held that every acre of plantation on a large estate should have a corresponding, or rather greater, area of pasture or fodder plants, in order to provide the amount of manure necessary for its proper cultivation. In St. Lucia an estate including 1,000 acres of land adapted to cocoa, coffee, &c., and 1,000 acres of land adapted for pasture and fodder plants, would probably include at least 1,000 acres of forest and unprofitable land.

52. Assuming that the Company advanced 20,000*l.* on the security of an estate of this magnitude, the annual instalments for the redemption of the loan in 10 years and payment of interest, would be about 2,400*l.*

53. I annex the estimates* for an estate of 1,000 acres, as they are, I believe, the result of long experience, and may be of value in forming a general estimate of the possible or probable profit from the investment of capital in a large agricultural enterprise in St. Lucia.

54. I believe, however, that the benefits of the scheme, if successful, are more likely to reach the labouring proprietors of small holdings and estates of from 20 to 100 acres or 200 acres. It is by no means intended, however, to exclude large enterprises from the range of the scheme.

* Not printed.

55. I have no means of ascertaining the exact area of land under cultivation in St. Lucia, but the export of produce may serve as a guide in forming a rough estimate. I have shown that the export of sugar amounts to about 4,000 tons, and I am informed that the general yield should not be estimated at much more than 1 ton per acre. The yearly export would not, of course, represent the whole of the land in sugar-cane cultivation, but I think it may safely be assumed that the cultivated soil of St. Lucia does not exceed an area of 6,000 or 7,000 acres. If the scheme I propose is successful, I venture to hope that it may be found to give reasonable facilities for doubling within a few years the area of cultivation, and for the further gradual extension of the area.

56. I trust that the explanations given in this despatch may be found useful in enabling you to form a judgment on the soundness of the scheme. It is understood, as expressed in your despatch of the 17th of December, that the scheme is considered as tentative, and may be amended or abandoned. It will be a matter of great satisfaction to me if it is found to indicate the lines on which a successful measure for introducing cheap money into the Windward Islands may be established.

I have, &c.

CHAS. BRUCE.

Enclosure in No. 68.

Saint Lucia.

An Ordinance to [

WHEREAS it is expedient to encourage the introduction of capital into this Colony for Agricultural purposes and with a view to enable proprietors to develop the resources of their estates by means of loans at moderate rates of interest:

Be it enacted by the Governor, with the advice and consent of the Legislative Council of Saint Lucia as follows:—

1. This Ordinance may be cited as the Land Credit Ordinance, 1896.

2. In this Ordinance, unless the coutext otherwise requires,—

The word "Company" shall mean any Company or Bank which shall be named by proclamation of the Governor and which shall be prepared to advance money on loan to planters and others concerned in agriculture in this Colony, on the security of lands and crops in the said Colony;

The words "loan" and "advance" shall mean respectively a loan or advance made under the provisions of this Ordinance.

3. The Company shall have a subscribed capital of at least one hundred thousand pounds.

4. Subject to the provisions herein-after contained, the Colony of Saint Lucia shall guarantee to the Company interest at the rate of three per centum per annum on loans advanced under this Ordinance to an amount not exceeding in the aggreate at any one time one hundred and fifty thousand pounds.

5. The rate of interest payable on loans advanced under this Ordinance shall not exceed six per centum per annum.

6. The guarantee of the Colony in the case of advances made on the security of sugar estates shall extend only to advances made for tilling, sowing, planting, cultivating, reaping, manufacturing and packing the crop, and shall be limited to the period necessary to realise the proceeds of the crop on which the advance is made: Provided that a preferent claim shall be granted on the crop and upon the proceeds thereof, and upon the property upon which the crop is growing, until the repayment of the advance.

7. The guarantee of the Colony shall extend only to advances to sugar estates not exceeding in amount half the estimated value of the crop on which the advance is made.

8. The person to whom an advance has been made under the two preceding sections of this Ordinance shall immediately after the sale of any portion of his crop furnish the Company with a detailed account of the amount of such crop so sold and the amount realised thereby, and shall pay or cause to be paid to the Company the whole or so much thereof as shall be sufficient to satisfy the claim of the Company. Any borrower or his agent committing a breach of this section shall be guilty of felony and on conviction thereof shall be liable to be imprisoned for any term not exceeding two years with or without hard labour.

9. The guarantee of the Colony shall extend to short-time advances made on the security of crops other than sugar crops on the conditions provided in the three preceding sections.

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10. The guarantee of the Colony shall extend to loans made for a period of years for the development of land by the cultivation of products other than cane sugar, subject to the conditions herein-after enacted.

11. No original loan for a term of years shall exceed one-half of the appraised value of the land offered as security, and of the cocoa, coffee, spice, or other approved trees growing thereon, and of the premises constructed for the cultivation and preparation of the produce of such land; the amount of any additional loan or loans shall be limited by the condition that the aggregate amount of the original loan and of such additional loan or loans shall not exceed the aggregate of one-half of the original appraised value of the security offered and one-half of the appraised value of the permanent improvements effected on the land after the date of the original appraisement.

12. No loan shall be made for a period of more than twenty years.

13. No loan shall be made except on the security of a first mortgage on the land and on the buildings thereon, and a preferent claim on the crops grown and on the proceeds thereof. Every building forming part of the security for any loan shall be insured, and the policy deposited with the Company.

14. Loans may be made to proprietors to clear off encumbrances or may include a sum to enable them to clear off encumbrances, but in such cases the Governor-in-Council before approving the loan must be satisfied that the borrower is in a position to make satisfactory arrangements for the profitable cultivation of the land, and the borrower shall enter into an engagement to carry out such arrangements subject to the provisions of section twenty of this Ordinance. So much of the loan as is required to pay off encumbrances shall be retained, and the encumbrances paid off by the Company.

15. All loans shall be made in cash and shall be repaid on the annuity principle, by equal yearly or half-yearly instalments covering interest, and the proportionate sum necessary for the redemption of the principal within the period fixed: Provided that where loans are made on lands newly brought under cultivation it may be agreed that they shall be made by instalments subject to the provisions of section eleven of this Ordinance, and that the interest only shall be payable for the first five years from the date of the first instalment or for such period not exceeding five years as may be agreed.

16. Every applicant to the Company for a loan with the guarantee of the Colony shall be called on to produce his title to the security offered, and a statement giving full particulars of the object of the advance, of the estimated value of the property or crop, of the receipts and expenditure (if any) of the estate for three preceding years, and of the encumbrances (if any) on the security in respect of which a loan is applied for.

17. The guarantee of the Colony shall not be given to any loan until the application and the conditions upon which the Company proposes to make the advance shall have been approved by the Governor-in-Council. The Governor in Council shall have power to employ, if he considers it necessary, experts to report on any application for advance.

18. All expenses incurred in connexion with such report shall be defrayed by the Company on behalf of the applicant, and in the event of the application being granted the amount of such expenses may be deducted from or considered as part of the loan. The Company may require the applicant to make a deposit on account of such expenses.

19. The amount of advances to be made and the purposes for which such advances are to be made shall be established by Notarial Deed or by an Order of the Royal Court, which Deed or Order shall be recorded in the Office of Deeds and Mortgages of this Colony, and the guarantee of the Colony shall not extend to the interest of any such advances unless such Notarial Deed or Order of the Royal Court aforesaid shall be lodged for record within five days of the date thereof: Provided that the Governor-in-Council may extend the time if he shall consider that there is reasonable ground for doing so.

20. If the borrower or his agent shall apply any money borrowed under the provisions of this Ordinance for any purposes other than those established by such Deed or Order, or shall fail, neglect, or refuse to apply the same in accordance with the conditions of the said Deed or Order, the Company shall have the right to claim forthwith immediate payment of the unpaid principal of the loan and the interest accrued, and such borrower or his agent shall be guilty of a felony and shall be liable to be imprisoned for any term not exceeding two years with or without hard labour.

21. The borrower shall have the right at any time after three months' written notice given to the Company to pay off the amount of any loan made by the Company, either in whole or in part, but no repayment on account shall be of less amount than one yearly instalment based on the provisions of section eleven. The amount of the

instalment on account shall be deducted from the principal sum remaining due at the date of the payment of the instalment, and a new rate of annuity shall be fixed providing for the extinction of the debt within the term originally fixed for the currency of the loan.

22. Interest shall be chargeable on all sums in arrear on account of interest or principal from the date of their falling due.

23. Failure to pay any interest or instalment due within one month of notice given shall give the Company a right to claim forthwith payment of the unpaid principal and the interest accrued.

24. The borrower must inform the Company and the Government within one month of any accident, disaster, or occurrence which may have the effect of lessening the value of the security upon which a loan has been made to him. If any occurrence so reported and involving a depreciation of the security shall be due to the fault of the borrower, the Company shall have a right to claim the immediate repayment of the whole loan.

25. (1.) No sale, lease, or alienation of immovable property forming part of any security held by the Company under this Ordinance shall be valid without the consent of the Company and of the Government, and the substitution of the person to whon such sale, lease, or alienation shall have been made in the place of the borrower.

(2.) The sale of any crop or crops forming part of any security held by the Company under this Ordinance shall be subject to the same provisions as the sale of crops pledged as security for advances to sugar estates and dealt with in section of this Ordinance.

(3.) Any breach of this section of this Ordinance shall give the Company a right to claim immediate repayment of the unpaid principal of the loan and the interest accrued.

26. In any case in which the right to claim the immediate repayment of a loan shall accrue to the Company the guarantee of the Colony shall determine in the event of the Company not forthwith enforcing its claim : Provided that when the Governor-in-Council is of opinion that a postponement of proceedings to enforce the claim is in the interest of all parties the Company may postpone proceedings for such period as may be assented to by the Governor-in-Council ; and provided that in any case in which legal proceedings shall have been taken and judgment thereon obtained it shall be discretionary with the Governor-in-Council to fix the time at which, in the interest of all concerned, the property of the borrower shall be brought to sale, and the Company shall bring such property to sale accordingly.

27. The guarantee of the Colony shall operate as follows :—

(1.) The Company shall transmit to the Government as soon as possible after the close of each year a report on the transactions of the Company, accompanied by—

(*a.*) A Statement of the amounts of (*i*) Interest payable, (*ii*) Interest received, (*iii*) Interest in arrear on account of all guaranteed advances to Sugar Estates from the time of the first transaction of the Company under the provisions of this Ordinance ; and

(*b.*) A similar statement showing separately the amounts of interest and instalments payable, received, and in arrear on account of guaranteed advances other than to Sugar Estates.

(2.) Whenever the total receipts on account of interest on guaranteed advances made by the Company from the date of coming into operation of this Ordinance collectively shall amount to less than three per centum per annum on the total amount of guaranteed advances bearing interest for the whole or any portion of the period included in the Company's Statements, the Colonial Government shall provide for the payment of the balance out of the revenues of the Colony.

(3.) In the event of any authorised advance resulting in a loss of any part of the sum advanced after the proceeds of the sale of the property of the borrower shall have been brought to account, the guarantee of the Colony shall extend to the payment of interest on the amount of the deficit for the unexpired period of the currency of the loan.

(4.) The guarantee of the Colony shall not be held to cover any loss resulting from any defect of title affecting any security accepted by the Company or from any fault or act of culpable negligence on the part of the Company or its agents or servants.

(5.) The amount of any loss incurred by the Colonial Government under the provisions of this section of this Ordinance shall be a perpetual charge against the profits of the Company and shall be repaid to the Government in whole or by instalments whenever the total receipts on account of interest on guaranteed

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advances made by the Company from the date of coming into operation of this Ordinance collectively shall exceed three per centum per annum.

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28. Any person borrowing money under the provisions of this Ordinance for whom the Colony shall be called on to meet any guaranteed interest shall be deemed and taken to be a personal debtor to the Colony to the extent of the guaranteed interest paid by the Colony on his behalf, and it shall not be competent to such debtor to plead prescription as a bar to such debt; and the Colonial Treasurer is hereby empowered to take on behalf of the Colony all legal proceedings whatsoever which may be necessary for securing and recovering the said debt.

29. In the event of the Colony being at any time required to pay interest under the provisions of this Ordinance beyond such amount as it may be possible to meet out of the general revenue of the Colony, it shall be lawful for the Governor-in-Council to raise the amount necessary by loan, and for the repayment of this loan there shall be levied and paid into the Treasury an annual tax not exceeding three pence per acre on every acre of land outside of the town of Castries and the villages of the Colony: Provided that proprietors of less than five acres of land in one or more lots shall be exempted from the payment of this tax. The mode of collection and recovery of this tax shall be provided for by a special Ordinance.

No. 69.

MR. CHAMBERLAIN to GOVERNOR SIR C. BRUCE.

SIR, Downing Street, August 17, 1896.

I HAVE had under my consideration your despatch of the 1st of February,* submitting with full explanations a draft Ordinance for the establishment of a land credit system in St. Lucia.

2. A clause should, I think, be inserted providing for the ascertaining of the estimated value of a crop, for the purpose of determining the limit of the advance to be made on it.

3. I am willing that the limit of the advances to be made to sugar estates should be raised to two-thirds of the estimated value of the crop, as you recommend.

4. With reference to the 29th section of the Ordinance, I may observe that I consider that provision for the land tax to meet any calls on the Government, on account of guaranteed interest, should be made by an Ordinance to be introduced at the same time as this Ordinance.

5. Subject to the foregoing observations I approve the introduction of the Ordinance, and I desire at the same time to express my appreciation of the care and trouble you have taken in the matter.

I have, &c.
J. CHAMBERLAIN.

No. 70.

GOVERNOR SIR CHARLES BRUCE to MR. CHAMBERLAIN.
(Received January 7, 1897.)

SIR, Grenada, December 24, 1896.

WITH reference to your despatch of the 17th of August,† I have the honour to transmit for the signification of Her Majesty's pleasure, authenticated copy, in duplicate, of an Ordinance which has been passed by the Legislature of Saint Lucia, entitled "An "Ordinance to encourage the introduction of capital into this Colony for Agricultural "purposes, and with a view to enable proprietors to develop the resources of their "estates by means of loans at moderate rates of interest."

2. The usual report‡ of the Attorney General is also enclosed.

3. In order to provide for the ascertaining of the estimated value of the crop, section 17 has been amended so as to give the Governor-in-Council power to employ experts to report on any application for any advance on crops.

4. The limit of the advances to be made to sugar estates has been raised to two-thirds of the estimated value of the crop.

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* No. 68. † No. 69. ‡ Not printed.

5. In section 25, the word "voluntary" has been inserted before the words "sale, lease, or alienation of immovable property." This amendment was made to prevent a creditor from being debarred from exercising his legal rights and giving effect to a judgment obtained by him against a debtor.

6. In section 29 the following proviso has been omitted:—

"Provided that proprietors of less than five acres of land in one or more lots shall be exempted from the payment of this tax."

It was argued that the intention of the Ordinance being, to a large extent, to assist small proprietors, the class of small proprietors ought not to be excluded from the liability imposed by this section.

7. In view of the steps that are being taken towards the imposition of a general land tax, as reported in my despatch of the 10th of December,* I venture to ask leave to postpone for the moment the introduction of an Ordinance to provide for a special land tax to meet any calls on the Government on account of guaranteed interest.

8. I annex a copy of a letter addressed to me by Mr. E. du Boulay, member of the Legislative Council, urging the extension to sugar estates of the provisions of the Ordinance which apply to the cultivation of products other than sugar cane. On this subject I have nothing to add to the terms of my despatch of the 1st February last.*

8. Mr. du Boulay's views were supported by Mr. Bennett, the manager of the syndicate which has taken over the Central Sugar Factory's estates. Mr. Bennett also urged that section 4 should be amended as follows:—

"Subject to the provisions herein-after contained, the Colony of Saint Lucia shall guarantee to the Company interest at such rate not exceeding four per centum per annum as may be determined by the Governor-in-Council on loans advanced under this Ordinance to an amount not exceeding in the aggregate at any one time one hundred and fifty thousand pounds."

Mr. Bennett said he would not press his proposal to a division if I did not see my way to accept it, his wish, and, as he believed, the wish of the whole Council, being only to endeavour to make the Ordinance as complete and workable as possible. I pointed out that by section 5 the rate of interest payable on loans made under the Ordinance was not limited to three per centum per annum. I could not see my way to accept the amendment.

9. Subsequently to the meeting of Council Mr. Bennett called on me and assured me that he would use every endeavour to secure the success of the Ordinance, and he pointed out that it would be easier to establish a Company were a similar Ordinance passed in the other Colonies under my Government, the larger field of operation being more likely to attract capitalists. I informed Mr. Bennett that similar Ordinances were under consideration in Grenada and St. Vincent.

I have, &c.
CHAS. BRUCE.

Enclosure 1 in No. 70.

I assent. CHARLES BRUCE, Governor,
December 9, 1896.

Saint Lucia, No. 20 of 1896.

An Ordinance to encourage the introduction of capital into this Colony for agricultural purposes and with a view to enable proprietors to develop the resources of their estates by means of loans at moderate rates of interest.

[9th December 1896.]

WHEREAS it is expedient to encourage the introduction of capital into this Colony for agricultural purposes and with a view to enable proprietors to develop the resources of their estates by means of loans at moderate rates of interest:

Be it enacted by the Governor with the advice and consent of the Legislative Council of Saint Lucia, as follows:—

1. This Ordinance may be cited as the Land Credit Ordinance, 1896. Short title.

2. In this Ordinance, unless the context otherwise requires, the word "Company" shall mean any company or bank which shall be named by proclamation of the Governor Definition of terms.

* Not printed.

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and which shall be prepared to advance money on loan to planters and others concerned in agriculture in this Colony, on the security of lands and crops in the said Colony.

The words "loan" and "advance" shall mean respectively a loan or advance made under the provisions of this Ordinance.

Subscribed capital.

3. The Company shall have a subscribed capital of at least one hundred thousand pounds.

Colony to guarantee 3 per cent. interest on 150,000*l*.

4. Subject to the provisions herein-after contained, the Colony of Saint Lucia shall guarantee to the Company interest at the rate of three per centum per annum on loans advanced under this Ordinance to an amount not exceeding in the aggregate at any one time one hundred and fifty thousand pounds.

Interest on loans not to exceed 6 per cent.

5. The rate of interest payable on loans advanced under this Ordinance shall not exceed six per centum per annum.

Colony's guarantee on sugar estates limited to advances for tilling, &c. crop.

6. The guarantee of the Colony in the case of advances made on the security of sugar estates shall extend only to advances made for tilling, sowing, planting, cultivating, reaping, manufacturing, and packing the crop, and shall be limited to the period necessary to realise the proceeds of the crop on which the advance is made: Provided that a preferent claim shall be granted on the crop and upon the proceeds thereof, and upon the property upon which the crop is growing until the repayment of the advance.

Proviso as to preferent claim.

Colony's guarantee to extend only to two-thirds of estimated value of crop of sugar estates.

7. The guarantee of the Colony shall extend only to advances to sugar estates not exceeding in amount two-thirds the estimated value of the crop on which the advance is made.

Persons advanced to furnish Company with accounts of sale of crop, &c.

8. The person to whom an advance has been made under the two preceding sections of this Ordinance shall immediately after the sale of any portion of his crop furnish the company with a detailed account of the amount of such crop so sold and the amount realised thereby, and shall pay or cause to be paid to the Company the whole or so much thereof as shall be sufficient to satisfy the claim of the Company. Any borrower or his agent committing a breach of this section shall be guilty of felony and on conviction thereof shall be liable to be imprisoned for any term not exceeding two years with or without hard labour.

Penalty.

Guarantee of Colony as to short-time advances on other than sugar crops.

9. The guarantee of the Colony shall extend to short-time advances made on the security of crops other than sugar crops on the conditions provided in the three preceding sections.

Guarantee of Colony on loans for a period of years for the cultivation of products other than cane sugar.

10. The guarantee of the Colony shall extend to loans made for a period of years for the development of land by the cultivation of products other than cane sugar, subject to the conditions herein-after enacted.

Conditions as to loans.

11. No original loan for a term of years shall exceed one-half of the appraised value of the land offered as security, and of the cocoa, coffee, spice, or other approved trees growing thereon, and of the premises constructed for the cultivation and preparation of the produce of such land; the amount of any additional loan or loans shall be limited by the condition that the aggregate amount of the original loan and of such additional loan or loans shall not exceed the aggregate of one-half of the original appraised value of the security offered, and one-half of the appraised value of the permanent improvements effected on the land after the date of the original appraisement.

Duration of loan.

12. No loan shall be made for a period of more than twenty years.

Loan to be secured by mortgage on land, &c. and claim on crops, &c. Insurance of buildings and deposit of policy.

13. No loan shall be made except on the security of a first mortgage on the land and on the buildings thereon, and a preferent claim on the crops grown and on the proceeds thereof. Every building forming part of the security accepted for any loan shall be insured, and the policy deposited with the Company.

Conditions as to loans to clear off encumbrances.

14. Loans may be made to proprietors to clear off encumbrances or may include a sum to enable them to clear off encumbrances, but in such cases, the Governor-in-Council before approving the loan, must be satisfied that the borrower is in a position to make satisfactory arrangements for the profitable cultivation of the land, and the borrower shall enter into an engagement to carry out such arrangements subject to the provisions of section 20 of this Ordinance. So much of the loan as is required to pay off encumbrances shall be retained and the encumbrances paid off by the Company.

Mode of making loans and of repayment thereof.

15. All loans shall be made in cash and shall be repaid on the annuity principle, by equal yearly or half-yearly instalments covering interest and the proportionate sum necessary for the redemption of the principal within the period fixed; provided that where loans are made on lands newly brought under cultivation, it may be agreed that they shall be made by instalments subject to the provisions of section 11 of this

Proviso as to loans on lands newly bought.

Ordinance, and that the interest only shall be payable for the first five years from the date of the first instalment, or for such period not exceeding five years as may be agreed.

Applicant for loan to produce title and statement of certain particulars.

16. Every applicant to the Company for a loan with the guarantee of the Colony, shall be called on to produce his title to the security offered, and a statement giving full particulars of the object of the advance, of the estimated value of the property or crops, and if possible of the receipts and expenditure (if any) of the estate for three preceding years, and of the encumbrances (if any) on the security in respect of which a loan is applied for.

Governor-in-Council to approve loans guaranteed by Colony.

Power to employ experts.

17.—(1.) The guarantee of the Colony shall not be given to any loan until the application and the conditions upon which the Company proposes to make the advance shall have been approved by the Governor-in-Council. The Governor-in-Council shall have power to employ, if he considers it necessary, experts to report on any application for a loan or any advance on crops.

Governor's decision to be communicated to Company.

(2.) The decision of the Governor-in-Council shall be communicated to the Company with the least possible delay.

As to defraying of expenses of report.

18. All expenses incurred in connexion with such report shall be defrayed by the Company on behalf of the applicant, and in the event of the application being granted, the amount of such expenses may be deducted from or considered as part of the loan. The Company may require the applicant to make a deposit on account of such expenses.

Advances to be established by recorded notarial deed or order of Royal Court.

Conditions as to guarantee of interest.

19. The amount of advances to be made and the purposes for which such advances are to be made, shall be established by notarial deed or by an order of the Royal Court, which deed or order shall be recorded in the Office of Deeds and Mortgages of this Colony, and the guarantee of the Colony shall not extend to the interest of any such advances, unless such notarial deed or order of the Royal Court aforesaid shall be lodged for record within five days of the date thereof.

Penalty for misapplication of moneys borrowed.

20. If the borrower or his agent shall apply any money borrowed under the provisions of this Ordinance for any purposes other than those established by such deed or order, or shall fail, neglect, or refuse to apply the same in accordance with the conditions of the said deed or order, the Company shall have the right to claim forthwith the immediate payment of the unpaid principal of the loan and the interest accrued, and such borrower or his agent shall be guilty of a felony, and shall be liable to be imprisoned for any term not exceeding two years with or without hard labour.

Conditions under which borrower may pay off loans.

21. The borrower shall have the right at any time after three months' written notice given to the Company to pay off the amount of any loan made by the Company, either in whole or in part, but no repayment on account shall be of less amount than one yearly instalment based on the provisions of section eleven. The amount of the instalment on account shall be deducted from the principal sum remaining due at the date of the payment of the instalment, and a new rate of annuity shall be fixed providing for the extinction of the debt within the term originally fixed for the currency of the loan.

Interest on sums due.

22. Interest shall be chargeable on all sums in arrear on account of interest or principal from the date of their falling due.

Right of Company when not paid interest or instalment due.

23. Failure to pay any interest or instalment due within one month of notice given shall give the Company a right to claim forthwith payment of the unpaid principal and the interest accrued.

Borrower to inform Company of acts lessening value of security.

Right of Company where security depreciated by borrower's fault.

24. The borrower must inform the Company and the Government, within one month of any accident, disaster, or occurrence which may have the effect of lessening the value of the security upon which a loan has been made to him. If any occurrence so reported and involving a depreciation of the security shall be due to the fault of the borrower, the Company shall have a right to claim the immediate repayment of the whole loan.

Conditions as to alienation of immovable property secured to Company.

25.—(1.) No voluntary sale, lease, or alienation of immovable property forming part of any security held by the Company under this Ordinance shall be valid without the consent of the Company and of the Government, and the substitution of the person to whom such sale, lease, or alienation shall have been made in the place of the borrower.

Conditions as to sale of crops secured to Company.

(2.) The sale of any crop or crops forming part of any security held by the Company under this Ordinance shall be subject to the same provisions as the sale of crops pledged as security for advances to sugar estates and dealt with in section eight of this Ordinance.

Right of Company in cases of breach of this section.

(3.) Any breach of this section shall give the Company a right to claim immediate repayment of the unpaid principal of the loan and the interest accrued.

Determination of Colony's guarantee where Company fails to enforce claim. Proviso as to postponement of proceedings. Proviso as to when proceedings have been taken.

26. In any case in which the right to claim the immediate repayment of a loan shall accrue to the Company, the guarantee of the Colony shall determine in the event of the Company not forthwith enforcing its claim: Provided that when the Governor-in-Council is of opinion that a postponement of proceedings to enforce the claim is in the interest of all parties, the Company may postpone proceedings for such period as may be assented to by the Governor-in-Council; and provided that in any case in which legal proceedings shall have been taken and judgment thereon obtained, it shall be discretionary with the Governor-in-Council to fix the time at which, in the interest of all concerned, the property of the borrower shall be brought to sale, and the Company shall bring such property to sale accordingly.

Operation of Colony's guarantee.

27. The guarantee of the Colony shall operate as follows:—

(1.) The Company shall transmit to the Government, as soon as possible after the close of each year, a report on the transactions of the Company, accompanied by

(*a.*) A statement of the amounts of (1) interest payable, (2) interest received, (3) interest in arrear on account of all guaranteed advances to sugar estates from the time of the first transaction of the Company under the provisions of this Ordinance; and

(*b.*) A simlar statement, showing separately the amounts of interest and instalments payable, received, and in arrear on account of guaranteed advances other than to sugar estates.

(2.) Whenever the total receipts on account of interest on guaranteed advances made by the Company from the date of coming into operation of this Ordinance collectively shall amount to less than three per centum per annum on the total amount of guaranteed advances bearing interest for the whole or any portion of the period included in the Company's statements, the Colonial Government shall provide for the immediate payment of the balance out of the revenue of the Colony.

(3.) In the event of any authorised advance resulting in a loss of any part of the sum advanced after the proceeds of the sale of the property of the borrower shall have been brought to account, the guarantee of the Colony shall extend to the payment of interest on the amount of the deficit for the unexpired period of the currency of the loan.

(4.) The guarantee of the Colony shall not be held to cover any loss resulting from any defect of title affecting any security accepted by the Company, or from any fault or act of culpable negligence on the part of the Company or his agents or servants.

(5.) The amount of any loss incurred by the Colonial Government under the provisions of this section shall be a perpetual charge against the profits of the Company, and shall be repaid to the Government in whole or by instalments whenever the total receipts on account of interest on guaranteed advances made by the Company from the date of coming into operation of this Ordinance collectively, shall exceed three per centum per annum.

Borrowers for whom Colony has paid guaranteed interest to be personal debtors of Colony without right to plead prescription. Colonial Treasurer to take legal proceedings.

28. Any person borrowing money under the provisions of this Ordinance, for whom the Colony shall be called on to meet any guaranteed interest, shall be deemed and taken to be a personal debtor to the Colony to the extent of the guaranteed interest paid by the Colony on his behalf, and it shall not be competent to such debtor to plead prescription as a bar to such debt; and the Colonial Treasurer is hereby empowered to take on behalf of the Colony all legal proceedings whatsoever which may be necessary for securing and recovering the said debt.

Power of Governor-in-Council to raise loan to pay interest in certain cases. Tax on land to be levied for repayment of loan. Special Ordinance to provide for mode of collection of tax.

29. In the event of the Colony being at any time required to pay interest under the provisions of this Ordinance beyond such amount as it may be possible to meet out of the general revenue of the Colony, it shall be lawful for the Governor-in-Council to raise the amount necessary by loan, and for the repayment of this loan there shall be levied and paid into the Treasury an annual tax not exceeding three pence per acre on every acre of land outside of the town of Castries and the villages of the Colony. The mode of collection and recovery of this tax shall be provided for by a special Ordinance.

Passed the Legislative Council this 7th day of December 1896.

E. EVELYN,
Clerk of Councils.

Enclosure 2 in No. 70.

WINDWARD ISLANDS.

SIR, Saint Lucia, December 3, 1896.

ST. LUCIA.

I HAVE very carefully considered the proposed Ordinance for the establishment of a Land Credit Bank in this Colony, and I beg to submit for your Excellency's consideration the following observations thereon :—

It appears to me that, as far as sugar growers are concerned, the measure as now constructed is likely to remain, to a great extent, a dead letter.

Under the existing law of privilege, advances for cultivation can be obtained under conditions less stringent than are insisted upon by the provisions of this scheme, as it is not now required that the estate itself shall be mortgaged to secure advances against crops under a Royal Court Order, so that owners of estates already encumbered are not debarred from securing the assistance necessary for upkeeping the cultivation of their properties. Under the proposed Ordinance it would be necessary to give a first mortgage on the estate, in addition to pledging the crop, in order to obtain like facilities.

This, then, the only provision framed with a view of assisting the Sugar Industry, will, I conceive, be taken advantage of to a very limited extent, if at all.

I am not of course unaware that the extension of the provisions of the measure so as to place the Sugar Industry on an equal footing with the others, which it is the purpose of this letter to advocate, has already been considered by the Government and deliberately rejected, but I am not without hope that on further consideration, a recognition of the well-founded claims of this industry to participate in the full benefits of the Ordinance will in the end be conceded.

It should not be lost sight of that the Sugar Industry exists in Saint Lucia under better conditions than obtain in some of our sister Colonies.

The establishment of central factories has been strongly advocated in more than one neighbouring Island as the only means of saving the industry from collapse, and in one instance, at least, the guarantee of the Government to facilitate the promotion of such factories has not been refused.

What I ask then is that the Colony should assist by their guarantee these very enterprises already established in the Island, the like of which they are eager in other places, by use of the general credit, to promote, and I venture to think that an industry which has so largely benefited the Island in times past and still continues to benefit it is entitled to more consideration than the Government is inclined to extend to it.

The Company which I represent has expended in the Colony during the 12 years of its existence over 200,000*l.* in wages alone, and including the outlay on the contributing estates not belonging to the Company, the amount is largely in excess of this; the other two Factory Companies have expended proportionate sums, making a money total of considerable magnitude, circulated among the people of the Island, which must have greatly promoted the mercantile interest and the consequent contributions to the general revenue.

If I bring forward these facts it is to support the claim of these undertakings to be admitted to the same benefits as you propose to extend to other enterprises.

It would appear that you, sir, do not altogether despair of the future of the Sugar Industry, provided it be carried on within areas exceptionally favoured as regards "soil, climate, cheap labour, and facilities for the conveyance of produce to a profitable market"; these conditions, or most of them, are, I venture to say, fulfilled in this Island.

The central factories, taught by long experience, are working more cheaply than they have ever done, as, with the concentration of large areas of cultivation under a simple administration and the consequent ability to effectively control expenditure, they are well able to do; here, then, if anywhere, the conditions are to be found favourable to a continuance of the industry.

As to the risk which the Government would incur in extending the Colony's guarantee to long term loans secured on the abundant assets possessed by these companies, I see no risk greater than, under certain sections of this Ordinance, you are already prepared to encounter.

With regard, for instance, to the establishment of cocoa cultivation; to further this you are prepared to guarantee interest on a loan repayable in 15 years, on the assumption that the value of cocoa will not diminish within that period, the permanent value being taken at 40*s.* per cwt., about the present price. Now, many well-informed people have not entire confidence in the future of cocoa, and it may be that the price will fall considerably even within the next five years. Moreover, the ability, energy, and

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honesty of your borrowers forms a considerable factor in gauging the risks to be encountered in such a transaction.

I do not say this in any spirit of mere criticism, for I believe the Colony should be prepared to face the risks whatever they may be, in order to sustain and extend the agriculture of the Island upon the success of which its true prosperity depends; for if the Colony refuses to run any risks at all, as well pigeon-hole the Ordinance at once; but why agree to encounter them to promote one industry, the future of which may be precarious, while refusing altogether to assist an industry already established at an enormous outlay, the present condition of which it is true is somewhat critical, but which in the more favoured localities is not, I still believe, without a future?

I do not ask any special benefits for sugar, but equal treatment to all.

After all, the Ordinance is only permissive, and neither the Company formed to give effect to it nor the Gorvernment of the Colony will be compelled to accept any proposals made under its provisions, each application for loan or cultivation advances will be considered on its own merits; where, therefore, is the justice and good policy of shutting out any agricultural enterprise from participation in its full benefits if they can fulfil the conditions imposed by the Company and Government necessary to render the advances or loan asked for reasonably safe?

Moreover, though you are prepared to refuse to these companies the full benefits of this Ordinance, you do not hesitate to condemn them to contribute to the payment of any loss incurred by the Colony in establishing other industries.

A tax of 3*d.* per acre on all lands outside Castries is the source from which you propose to meet any sums guaranteed under the Ordinance, which the Colony may have to pay whenever the general revenue is unequal to the call, and you will not be able to pay them from this source; so that on one hand you refuse to allow the sugar companies to improve their position by putting their finances on a better footing, and ridding themselves of the burden of high rates of interest, while on the other hand you are ready to render their struggle against adverse circumstances more arduous by levying on them a forced contribution to funds from which they derive no benefit. This is, I consider, a rank and crying injustice against which I most strongly protest.

I have spoken of the Usine Companies principally because the Sugar Industry may be said to exist only in those areas worked by the Central Factories.

The export of Muscovado last year reached only to the value of 3,341*l.*, to give round numbers, while the Usine sugar exported was valued at 46,013*l.* at the present low value of sugar, forming, in fact, the bulk of the Colony's exports.

I do not consider it just that an industry of such dimensions should be denied the boon of obtaining cheap money. I do not say that if this be refused the industry must of necessity collapse, but it may be that the ability of these companies to reorganise their finances on a more favourable footing might and must prove to them, to say little, highly beneficial.

It has not been my intention to criticise the details of the projected Ordinance, but simply to point out the injustice and bad policy of further crippling struggling enterprises contributing so largely to the welfare of the Colony, by refusing to guarantee loans on long terms of repayment and reasonable rates of interest, and I trust that on a consideration of the Ordinance by the Governor-in-Council, it may be re-cast with a view of meeting the reasonable demands of companies such as mine.

I beg that a copy of this letter be laid on the Council table and one also forwarded to the Secretary of State.

I have, &c.
E. DUBOULAY,
Manager.

No. 71.

MR. CHAMBERLAIN to ACTING GOVERNOR DRAYTON.

SIR, Dowing Street, February 3, 1897.

I HAVE the honour to inform you that Her Majesty will not be advised to exercise Her powers of disallowance with respect to the Ordinance No. 20 of 1896, of the Legislature of St. Lucia, entitled, "An Ordinance to encourage the introduction "of capital into this Colony for agricultural purposes and with a view to enable

" proprietors to develop the resources of their estates by means of loans at moderate " rates of interest," a transcript of which accompanied Sir C. Bruce's despatch of the 24th of December.*

With reference to the 7th paragraph of the despatch under acknowledgment, I am willing to authorise the postponement, for the present, of the introduction of an Ordinance to provide for a special land tax to meet calls on the Government to meet guaranteed interest.

I have, &c.
J. CHAMBERLAIN.

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* No. 70.

WINDWARD ISLANDS.

ST. VINCENT.

WINDWARD ISLANDS.

ST. VINCENT.

No. 72.

GOVERNOR SIR C. BRUCE to MR. CHAMBERLAIN.
(Received October 29, 1896.)

SIR, Grenada, October 13, 1896.

I HAVE the honour to transmit a despatch addressed to me by Administrator Thompson, forwarding a petition addressed to you by proprietors, planters, merchants, and others connected with the cultivation and manufacture of sugar in St. Vincent, on the subject of Sugar Bounties.

2. There can be no doubt that the system of Bounties promoted by foreign Governments is crushing the life out of the Sugar Industry of St. Vincent; and the present desperate position of the Colony, of which I have informed you in many despatches, and which is represented in no exaggerated terms by the petitioners, may well serve as an object-lesson in illustration of the effects of the Bounty system on the producers of cane sugar in the British Colonies. The British consumer, meanwhile, is enjoying the same temporary advantage as accrues to the public from the competition of rival traders or railway companies. It is probable that, if the result of the present struggle is the extinction of the Cane-sugar Industry, the British consumer will have to pay dearly for his present temporary profit; but if the interests of the consumer alone were at issue it might be argued that it is a case in which the British consumer must look out for himself. This is not, however, a case in which the interests of the consumer alone are at stake. The interests of British producers all over the Empire are at stake, and in the term "producers" I include, not only the cultivators of the sugar cane, but the shipping, manufacturing, and mercantile interests inseparable from the placing of cane sugar on the market. If all the Imperial interests concerned are to be considered subordinate to the advantage resulting to the consumer in the United Kingdom from the immediate effect of the Bounty system in supplying him with cheap sugar, then it must be admitted that the Cane-sugar Industry and the prosperity of a large area of Her Majesty's tropical possessions are in imminent peril.

3. The facts of the case have been so fully brought before you by and on behalf of the Colonies and interests concerned that it would be impertinent on my part to deal with the general question as though it were one with which you are not intimately acquainted, and as though your sympathies were not already enlisted on behalf of the petitioners. But in forwarding the enclosed petition I may be allowed to express my hope that you may be able to find some means of protecting the fortunes of Her Majesty's subjects entrusted to my care from the action of foreign Governments having for its probable issue, if not for its direct purpose, the ruin of the Sugar-cane Industry and the Imperial interests connected with it.

I have, &c,
CHARLES BRUCE.

Enclosure in No. 72.

ADMINISTRATOR to GOVERNOR.

SIR, Government House, October 3, 1896.

I HAVE the honour to forward a petition, addressed to the Secretary of State for the Colonies, on the subject of the Sugar Bounties paid in foreign countries, and praying that Her Majesty's Government may take such measures as will relieve the distress into which the sugar planters and those dependent on the industry have fallen.

2. The question has been so fully discussed and reported on by others who are far better able to express an opinion in the matter that a long report from me on the subject will hardly be expected.

3. As the petitioners intimate in the first paragraph of the petition, the reason which has induced them to raise the question of Sugar Bounties again at this time is the recent increase in the Bounties paid by the German and Austro-Hungarian Governments, and the probability that the French Government will also increase the Bounties.

4. There can be no doubt that a permanent increase in the Bounties must have the effect of crushing the Cane-sugar Industry in this island. The only possible way in which cane sugar can hope to compete with the bounty-fed beet sugar is by using the most improved machinery for the production of the highest qualities of sugar at the lowest possible price.

5. In some Colonies large sums have been expended in erecting the best machinery, but in St. Vincent the machinery in use is, as a rule, almost primitive, and there is no really modern machinery.

6. It is hardly likely, in the present state of the market, that anyone would invest capital in sugar machinery, and St. Vincent is, therefore, even less able to compete with the bounty-fed product of Europe than some of her neighbours.

7. It is difficult to make any comparison of the number of estates now in sugar cultivation and the number in that cultivation in the past. The industry appears to have fluctuated to such an extent, and at one time some estates were out of cultivation and at another time others, that no reliable comparison can be made.

8. At the present moment there is hardly an estate in the island entirely devoted to sugar-cane cultivation, and for some years past the proprietors have looked to the profit on the arrowroot crop to cover their losses on sugar. Arrowroot has now failed them and the outlook is a gloomy one.

9. If the proprietors had turned their attention 15 or 20 years ago to the cultivation of other products the present position of affairs might be different.

10. Until comparatively recently, what little cocoa or coffee planting there was was done in a half-hearted way, and the cultivation was not properly looked after.

11. An established cocoa or coffee plantation might now be giving a fair profit, but with the falling market in these products it is doubtful whether it would be remunerative to expend a large amount of capital in establishing them.

12. Looking at the question from the point of view of the British consumer, there can be no doubt that, for the moment, the British consumer is really reaping the greater part of the fruits of the Bounties paid by foreign Governments, which have placed within his reach at an almost nominal price a product which is little, if at all, inferior to the cane sugar which not many years ago was almost a luxury.

13. The question is whether this advantage is likely to be a permanent one, or whether, when the Cane-sugar Industry has been finally exterminated by the impossibility of competing with bounty-fed sugar, the foreign producers will not raise the price to its former figure without fear of competition from cane sugar.

I have, &c.

His Excellency Sir Charles Bruce, K.C.M.G.,
&c. &c. &c.

HARRY THOMPSON,
Administrator.

To the Right Honourable JOSEPH CHAMBERLAIN, M.P., &c., &c., &c., Her Majesty's Principal Secretary of State for the Colonies.

THE humble petition of the undersigned proprietors, planters, merchants, and others connected with the cultivation and manufacture of sugar in the island of St. Vincent, in the West Indies, sheweth:—

1. That the recent large increase of the Sugar Bounties in Germany and Austria-Hungary, and the impending increase in France, will have the inevitable result of a production of beet-root sugar in excess even of that of the year 1894–95, and a consequent lowering of price of sugar generally below any point hitherto known.

2. That the effect of this increase of Bounties and consequent over-production of beet-root sugar will undoubtedly lead to the total extinction of the Cane-sugar Industry in this island, where the cost of production has already exceeded the price obtained.

3. That the present condition of the Sugar Industry in the island of St. Vincent is a serious one, as no further capital is likely to be introduced, nor substantial financial assistance given to an industry whose very existence lies at the mercy of foreign Governments.

4. That the ruin of the Sugar Industry of this island will seriously affect, not only proprietors and merchants, but the entire labouring population, rendering property of little or no value, and also materially affecting the credit of the Colony.

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5. That the effect of the Bounties now paid by foreign Governments on the export of beet-root sugar is to drive our products out of the market of the Mother Country and substitute Continental beet-root sugar for cane sugar, the produce of the British possessions.

6. That owing to the increase of bounty-fed beet-root sugar, the cultivation of cane sugar in this island has been materially lessened, causing several estates to be abandoned, and unless some relief be afforded the total abandonment of the remainder must inevitably follow.

7. That the lamentable state of the Sugar Industry has not only resulted in the falling off of the revenue of the island, thus necessitating the suspension of all public works, but has caused a considerable reduction in the amount paid in wages to the labouring classes, which has tended to affect their condition to a serious extent, causing large numbers to seek employment elsewhere.

8. That the proprietors of sugar estates in this island have carried on their properties at a loss for some time past, in the hope that the Bounties on beet-root sugar would be removed, or that the British Government would take steps to give the produce of British Colonies a fair chance to compete in the home market under conditions that will render ineffective the Bounties on beet-root sugar from foreign countries.

9. That your petitioners have endeavoured to point out that the foreign Bounties on beet-root sugar have almost crushed out the Cane-sugar Industry of this island, and your petitioners, therefore, humbly pray that Her Majesty's Ministers will take such measures as will relieve their distress, and thus help to raise this island from the condition into which it has fallen.

And your petitioners, as in duty bound, will ever pray.

[About 315 signatures.]

JAMAICA.

No. 73.

GOVERNOR SIR H. A. BLAKE to MR. CHAMBERLAIN.
(Received October 17, 1895.)

SIR, King's House, Jamaica, September 30, 1895.

I HAVE the honour to forward to you, at the request of the Jamaica Society of Agriculture and Commerce and Merchants' Exchange, a memorial addressed to you by that council on the subject of the existing Sugar Bounties.

2. With the prayer of the memorial I am entirely in accord. The Sugar Industry affords constant employment to a large number of labourers, and disburses in wages over three hundred and sixty thousand pounds annually. It is not probable that the present cost of production can be materially lessened, and should the low prices now ruling continue, the abandonment of many sugar estates is inevitable. This will, in turn, affect the large cattle pens which are to a great extent dependent upon the sugar estates for the disposal of their stock, a result that cannot be contemplated without grave apprehension. 360,000*l.*

3. In the consideration of this important matter it will be remembered that the sugar producer of the British West Indies is placed in a position of peculiar disadvantage, for while in islands belonging to other Powers, the sugar growers are protected in their home markets, the British subject is shackled in the markets of the United States by an adverse tariff, while he is crushed out of the home market by the operation of the foreign Bounties.

4. It is earnestly to be hoped that some means may be discovered of giving relief to the sorely tried Sugar Industry of the British West Indies. I fully appreciate the difficulty of any treatment of the question involving increased cost of living to the British workman. May I venture to suggest that a system of countervailing duties, the amount collected being devoted to relief of local taxation, would have the desired effect without adding to the total expenditure of the working population, thus leaving the cost of production untouched.

I have, &c.
HENRY A. BLAKE,
Governor.

Enclosure in No. 73.

To the Right Honourable JOSEPH CHAMBERLAIN, Her Majesty's Secretary of State for the Colonies.

The Humble Memorial of the Jamaica Society of Agriculture and Commerce and Merchants' Exchange

SHEWETH :—

That the Sugar Bounty system of the Continent has caused and is causing grievous injury to Her Majesty's loyal subjects, the growers of cane sugar, who are dependent on the continuance of the Sugar Industry in the West Indies.

That the Sugar Bounty system has been condemned as artificial, unjust, and injurious by the leading men of both political parties in the Mother Country, and that its mischievous operation has indeed brought the West India Sugar Industry to the verge of actual ruin.

That your patriotic determination to protect Colonial interests is well known to your memorialists, and there is every confidence that you will zealously use your high influence to put an end to an unjust fiscal system, which heavily handicaps Colonial produce in the markets of the Mother Country.

That in 1888 an International Sugar Convention was held in London by invitation of Lord Salisbury's Government, and that a Sugar Bounty Convention was signed by the delegates of the majority of the sugar-producing countries, condemning the principle and agreeing to abandon the practice of the Export Bounty system.

JAMAICA.

That in the opinion of your memorialists the present is an opportune time for resuming diplomatic negotiations with the bounty-giving Governments seeing that the heavy taxation rendered necessary by the maintenance of an expensive system of Bounties is regarded as obnoxious and oppressive by the several communities, who, besides, have to pay an exorbitant price for the very commodity the producers of which receive enormous Bounties.

That the holding of an International Sugar Conference offers the most satisfactory solution of a difficult international problem, and your memorialists earnestly entreat you, right honourable sir, to take the initiative in convening an international conference, whose deliberations would, your memorialists are convinced, be brought, under your able direction, to a successful issue.

That your memorialists respectfully submit that the abolition or counteraction of Sugar Bounties is in strict accordance with the principle of true political economy. It would bring about a rectification of the unnatural artificial advantages of the Bounty system by reducing beet sugar to the natural, and therefore just, price, and relieving cane sugar from hurtful obstruction and unfair competition.

That your memorialists humbly and earnestly pray that you will favourably consider their petition, and take such steps as may appear to you, right honourable sir, best calculated to abolish or counteract an evil system which has almost destroyed a once flourishing Colonial industry.

That your memorialists would also most respectfully submit for your consideration, in view of the wide-spread injury which the Bounty system has inflicted on the sugar and general interests of this, erstwhile prosperous island, the justice, so as in some measure to afford relief, of granting the free introduction here of immigrants for a term of years, on like conditions as those which are now allowed to Demerara.

And, as in duty bound, they will ever pray.

S. CONSTANTINE BURKE, Vice-President,
Acting-President.

B. B. CALLAGHAN, Secretary.

No. 74.

MR. CHAMBERLAIN to GOVERNOR SIR H. A. BLAKE.

SIR, Downing Street, November 19, 1895.

I HAVE the honour to acknowledge the receipt of your despatch of the 30th September,* transmitting a memorial from the Jamaica Society of Agriculture on the subject of foreign Sugar Bounties.

2. I request that you will cause the petitioners to be informed that I have given the most careful consideration to their applications, and have also had the advantage of receiving a full further statement of the case from the members of the West India Committee, representing the sugar planters in all the West Indian Colonies.

3. Her Majesty's Government are deeply sensible of the disadvantages under which the industry has so long laboured in consequence of the Bounties given by some foreign countries.

4. There is some reason to believe that these countries are themselves becoming aware of the mischievous effects of this policy on their own revenues and interests, and, in accordance with the expressed wish of the deputation above referred to, Her Majesty's Government will take advantage of any favourable opportunity to bring home to the mind of the Powers concerned the inadvisability of continuing a system which is not only injurious to the petitioners, but is also disastrous to the true interests of the countries in question.

5. With regard to the question of Indian immigration referred to in the last paragraph of the memorial, you should remind the memorialists that the terms on which Indian immigration is now carried on were fixed by the Colonial Legislature, and that I am not prepared to press the Legislature to furnish larger assistance from the general revenue. You should also inform them that the introduction of coolies into British Guiana is not "free," if by that term is meant entirely paid for out of the public revenue.

I have, &c.
J. CHAMBERLAIN.

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* No. 73.

No. 75.

GOVERNOR SIR H. A. BLAKE to MR. CHAMBERLAIN.
(Received January 7, 1897).

King's House, Jamaica,
December 15, 1896.

SIR,

WITH reference to your despatch of 19th November 1895,* I have the honour to transmit a further memorial from the Royal Jamaica Society of Agriculture and Commerce on the subject of the Sugar Bounty System.

I have, &c.
HENRY A. BLAKE,
Governor.

Enclosure in No. 75.

To The Right Honourable JOSEPH CHAMBERLAIN, Her Majesty's Secretary of State for the Colonies.

The Humble Memorial of the Jamaica Society of Agriculture and Commerce and Merchants' Exchange

Sheweth,

That the Sugar Bounty System of the Continent has caused and is causing grievous injury to Her Majesty's loyal subjects, the growers of cane sugar, who are dependent on the continuance of the Sugar Industry in the West Indies.

That the Sugar Bounty System has been condemned as artificial, unjust, and injurious, by the leading men of both political parties in the mother country, and that its mischievous operation has indeed brought the West India Sugar Industry to the verge of actual ruin.

That your patriotic determination to protect Colonial interests is well known to your memorialists, and there is every confidence that you will zealously use your high influence to put an end to an unjust fiscal system which heavily handicaps Colonial produce in the markets of the mother country.

That in 1888 an International Sugar Conference was held in London by invitation of Lord Salisbury's Government, and that a Sugar Bounty Convention was signed by the delegates of the majority of the sugar-producing countries condemning the principle and agreeing to abandon the practice of the export Bounty System.

That in the opinion of the memorialists the present is an opportune time for resuming diplomatic negotiations with the Bounty-giving Governments, seeing that the heavy taxation rendered necessary by the maintenance of an expensive system of Bounties is regarded as obnoxious and oppressive by the several communities, who besides have to pay an enormous price for the very commodity the producers of which receive enormous Bounties.

That the holding of an International Sugar Conference offers the most satisfactory solution of a difficult international problem, and your memorialists earnestly entreat you, Right Honourable Sir, to take the initiative in convening an International Conference, whose deliberations would, your memorialists are convinced, be brought under your able direction to a successful issue.

That your memorialists respectfully submit that the abolition or counteraction of Sugar Bounties is in strict accordance with the principles of true political economy. It would bring about a rectification of the unnatural, artificial advantages of the Bounty System by reducing beet sugar to the natural and therefore just price, and relieving cane sugar from hurtful obstruction and unfair competition.

That your memorialists humbly and earnestly pray that you will favourably consider their petition, and take such steps as may appear to you, Right Honourable Sir, best calculated to abolish or counteract an evil system which has almost destroyed a once flourishing Colonial industry.

And as in duty bound, they will ever pray.

Kingston, Jamaica,
25th September 1896.

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* No. 74.

GENERAL.

(APPOINTMENT OF ROYAL COMMISSION.)

No. 76.

COLONIAL OFFICE to the TREASURY.

SIR, Downing Street, November 9, 1896.

REPRESENTATIONS continue to reach Mr. Secretary Chamberlain giving cause for increasing disquietude as to the prospects of certain West Indian and other sugar-producing Colonies.

2. The Lords Commissioners of the Treasury are aware that the price of sugar in open markets has for some time past been affected by extraordinary depression, caused both directly by the Bounties given by some European Governments and indirectly by the effect of those Bounties in stimulating an enormous production in advance of effective demand.

3. Early in the year 1895 it was judged necessary by the Marquess of Ripon to sanction special remissions of taxation on sugar estates in British Guiana, Trinidad, and the Leeward Islands in consequence of the evidence laid before him of the critical position of this industry. In the course of that year very urgent petitions and memorials were addressed to the Secretary of State from, practically, all the Colonies affected, through their chambers of commerce and other associations, making positive statements as to the disastrous effect of the position of the sugar trade in the abandonment of estates and the disorganisation of industry. These representations were endorsed and supported by the Governors. In November 1895 Mr. Chamberlain was addressed by a very large and representative deputation on behalf of the West India Sugar Industry and the commercial and engineering interests associated with it, who desired that he should recommend Her Majesty's Government to take active steps against the foreign Sugar Bounties as the only means of saving the West Indian Colonies from ruin. A report of the proceedings on this occasion is enclosed.*

4. On the 1st of August last the amounts of the Bounties offered by the Governments of Germany and Austria-Hungary were approximately doubled, and a Bill has been prepared, and will probably be adopted in France, to raise the Bounties in that country correspondingly, although it is computed that they are even now equivalent to a grant of 3*l.* 5*s.* per ton. The new German rates are from 1*s.* 3*d.* to 1*s.* 9*d.* per cwt., or 25*s.* to 35*s.* per ton.

5. The prospect created by the announcement of these increased rates caused a renewed fall of about 3*l.* per ton in the market price of sugar, and has resulted in a fresh series of memorials to the Secretary of State, and in a stimulus to the tendency to abandon the cultivation of estates. Announcements of the intention to do this, and warnings as to the serious consequences that may be expected, are reaching Mr. Chamberlain from most of the Colonies affected.

6. These facts are very briefly recapitulated without detail, which would be superfluous in view of the position which Mr. Chamberlain has so far been forced to maintain towards all such representations, namely, that Her Majesty's Government do not see their way to take any effectual or active steps whatever to countervail the operation of the Bounties.

7. Until recently it appeared not impossible that the Continental Bounties might be spontaneously withdrawn, or that the over-production which they have caused might remedy itself in the natural manner by the collapse of unprofitable businesses. These possibilities are adjourned by the increase in the Bounties above referred to.

* Not printed.

8. Mr. Chamberlain feels that he cannot any longer disregard indications which are arising in the administrative purview of this Department of impending liabilities and difficulties which the Colonies will not be able to meet unaided.

9. At the end of the year 1895 there were deficits in Antigua and St. Kitts of upwards of 26,000*l.* and 16,000*l.* respectively, and notwithstanding an unusually heavy sugar crop in those islands, and an increase in the rates of taxation, it is expected that these deficits will be increased during the current year. The population are almost entirely dependent on the sugar estates, and it is represented that estates are being abandoned. There were riots in St. Kitts this spring arising from the reduction of wages on the sugar estates, and if there is any serious lack of employment a recurrence of disturbances may be expected. The Windward Islands have during 1895 and 1896, notwithstanding severe retrenchment and the increase of taxation until the point of inelasticity has been reached, fallen into a position of insolvency which compels Mr. Chamberlain to apply to the Lords Commissioners for an Imperial grant-in-aid, as to which another letter will be addressed to you. The Lords Commissioners will recollect that in the letter from this Department of the 15th of August last,* in which Mr. Chamberlain applied for assistance in the promotion of subsidiary industries, which the Lords Commissioners decided not to grant, the possibility that such an appeal might become necessary was foreshadowed. The abandonment of the majority of the sugar estates in St. Vincent has been definitely announced.

10. The Government of Barbados has been passing through severe financial difficulties, involving reductions of the cost of establishments. The effect of the abandonment of estates in this island would be particularly grave and would necessitate assisted emigration.

11. With regard to some of these Colonies there may be reason to think that improvements in manufacture have been neglected. This, however, cannot be said to be the case in Trinidad, where, nevertheless, cultivation is being reduced, nor in British Guiana, where it is being reduced with very serious rapidity, involving the loss of much capital invested in expensive machinery.

12. This process has a special significance in the two last-named Colonies, the Governments of which are responsible for many thousands of coolie immigrants, which they are liable to be called upon, under contract, to repatriate. If sugar cultivation, for which British Guiana and Barbados are specially suitable and in which a large amount of capital is invested, were abandoned in those Colonies, no alternative industry could at once take its place, and the coolies in British Guiana and the negroes in Barbados would be thrown on the hands of an insolvent administration, which would be unable to provide for their repatriation in the one case and for their support or emigration in the other case. The circumstances of Antigua, St. Kitts, and Nevis are analogous on a smaller scale.

13. The special danger which appears in the outlook in the Colonies thus dependent on sugar lies in the fact that this industry employs far more labour to the acre than any possible substitute, and that no substitute is immediately available; that the revenue depends directly on the industry, and that the administrations are, therefore, liable to be financially crippled just when there is the greatest strain on them, and that any general failure of employment may be confidently expected to produce, if not immediate rioting, at least a very dangerous and unstable situation, in which more efficient police arrangements than exist in the majority of the islands, and possibly the presence of troops or ships of war, may be necessary to maintain order.

14. A serious plantation disturbance involving a large number of casualties has been reported from British Guiana by last mail.

15. It must also be borne in mind that the Colonial banking establishments in the West Indies are considerably involved in the Sugar Industry, and that a collapse of that industry would be likely to bring about a financial crisis the gravity of which and of its indirect consequences it would be difficult to estimate.

16. The foreign Sugar Bounties have been and are at present of substantial advantage to some of the industries of this country. It was in great measure on this account that the Bill introduced by Her Majesty's Government, in the year 1889, to give effect to the Sugar Bounties Convention was not pressed. It has now, in view of further developments, become a question whether the continued enjoyment of this advantage does not involve the ruin of the British sugar-producing Colonies, and, if so, what this prospect further implies, both as regards the social future of such Colonies and in claims for Imperial expenditure which it will not be possible to resist.

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* Not printed.

17. The position of affairs being as indicated, Mr. Chamberlain is not prepared, as Secretary of State for the Colonies, to accept the responsibility of allowing matters to take their course, and to acquiesce in the policy of non-intervention hitherto pursued in regard to the Bounties, without having satisfied himself as to what such a policy may entail, as regards both the Colonies and the Exchequer, nor would he think it right that Her Majesty's Government should adhere to their present attitude on this question without knowing, as clearly as possible, at what cost it may be to the welfare and stability of an important part of the Empire, and to industries in which English capital is largely invested.

18. Mr. Chamberlain has, therefore, come to the conclusion that it is expedient that a Royal Commission shall be appointed to inquire into the effect of the foreign Sugar Bounties upon the British Colonial industry, more particularly in regard to the West Indies, as early as can be arranged, so as to investigate in the Colonies themselves whether their position has improved or retrograded within the last ten years; and the causes involved, what are actually the state and prospects of the Sugar Industry and of any alternative industries existing or possible to be established, what has been the course of, and what causes have affected, the revenue and expenditure of the Governments of late years, what is the condition and temper of the negro and coolie populations, and what line of industrial development it is likely that these populations may follow with advantage in the event of the extensive abandonment of sugar estates.

19. There are many particulars of inquiry subsidiary to these main heads which would come within the scope of such a Commission; the precise terms of reference may be determined if the appointment of the Commission is decided upon.

20. Mr. Chamberlain desires me to request that you will move the Lords Commissioners of the Treasury to give their serious consideration to this proposal, which has not been made without mature deliberation on a long succession of circumstances conducing to suggest its necessity. As it would be important that the Commission, if appointed, should start for the West Indies without delay and proceed as expeditiously as possible with the proposed investigations and report, Mr. Chamberlain will be glad if the Lords Commissioners will favour him with an early intimation as to whether they agree to the principle of the inquiry he proposes.

I am, &c.

EDWARD WINGFIELD.

No. 77.

TREASURY to COLONIAL OFFICE.

(Received December 3, 1896.)

SIR, Treasury Chambers, December 3, 1896.

I HAVE laid before the Lords Commissioners of Her Majesty's Treasury your letter of the 9th ultimo* proposing the appointment of a Royal Commission to inquire into the condition and prospects of the sugar-producing West Indian Colonies with special reference to the alleged danger of extinction of the Sugar Industry.

In reply I am to say for the information of Mr. Secretary Chamberlain that my Lords concur generally in this proposal and in the terms of the draft reference to the Commission, none of the heads of which appear to be outside the scope of a complete investigation of the condition and prospects of the sugar-growing Colonies of the West Indies, and of the measures best calculated to restore and maintain the prosperity of the Colonies and of their population, European and Indian (east and west).

Mr. Chamberlain proposes that the Commission should consist of three members, who should be unpaid, and that they should be accompanied to the West Indies by a clerk in the Colonial Office, as secretary, and by Dr. Morris, the sub-director of Kew Gardens, as expert adviser.

My Lords approve of these proposals, and they sanction the issue to these five gentleman of subsistence allowance at the rate of 2*l.* 2*s.* a night spent from home on land in the West Indies, and 10*s.* 6*d.* a night while on passage out and home (and between the several Islands when the fare includes subsistence), besides the actual expenses of passage and locomotion.

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* No. 76.

My Lords will further be prepared to give the secretary a gratuity on the termination of the inquiry, exclusive of his salary as a clerk in the Colonial Office, calculated at the rate of 300*l.* per annum on the time occupied in the labours of the Commission.

I am, &c.
FRANCIS MOWATT.

No. 78.

MR. CHAMBERLAIN to SIR H. W. NORMAN.

SIR, Downing Street, December 29, 1896.

I HAVE the honour to transmit to you the Queen's Commission appointing yourself, Sir Edward Grey, Bart., M.P., and Sir David Barbour, K.C.S.I., to be Commissioners to inquire into the conditions and prospects of the sugar-growing Colonies in the West Indies, and appointing Mr. Sydney Olivier, B.A., to be secretary to the Commission.

I have also the honour to inform you that the Queen has been pleased to approve of Daniel Morris, Esq., D.Sc., C.M.G., Assistant Director of the Royal Gardens, Kew, accompanying the Commission as expert adviser in botanical and agricultural questions.

I have to request that you will be good enough to cause the necessary steps to be taken for carrying into effect Her Majesty's commands contained in the enclosed Commission.

A separate letter is being addressed to you indicating the points to which Her Majesty's Government wish the inquiry to be specially directed.

I have, &c.
J. CHAMBERLAIN.

Enclosure in No. 78.

WEST INDIES.

COMMISSION passed under the Royal Sign Manual and Signet, appointing GENERAL SIR HENRY WYLIE NORMAN, G.C.B., G.C.M.G., C.I.E., SIR EDWARD GREY, Baronet, M.P., and SIR DAVID BARBOUR, K.C.S.I., to be Commissioners to inquire into the conditions and prospects of the Sugar-growing West India Colonies, and appointing SYDNEY OLIVIER, ESQ., B.A., to be Secretary.

VICTORIA R.

Dated December 22, 1896.

Victoria, by the Grace of God of the United Kingdom of Great Britain and Ireland Queen, Defender of the Faith, Empress of India: To Our Trusty and Well-beloved Sir Henry Wylie Norman, General of Our Forces, Knight Grand Cross of Our Most Honourable Order of the Bath, Knight Grand Cross of Our Most Distinguished Order of Saint Michael and St George, Companion of Our Most Eminent Order of Our Indian Empire, Chairman; Our Trusty and Well-beloved Sir Edward Grey, Baronet; and Our Trusty and Well-beloved Sir David Barbour, Knight Commander of Our Most Exalted Order of the Star of India, Greeting.

Whereas representations have been made by the Governors and Legislative Bodies, and by inhabitants, of those of Our West India Colonies in which the cultivation and production of sugar forms the chief industry, and provides subsistence directly or indirectly for a large proportion of the population, that the Sugar Industry in those Colonies is in a state of extreme depression and can no longer be carried on except at a loss, and that many sugar estates are being abandoned and thrown out of cultivation, and if the depression continues many more estates will shortly be abandoned, and that such abandonment is causing and will cause distress among the labouring population, including large numbers of East Indian immigrants, and destroy the general prosperity of those Colonies, and render it impossible for them to provide without external aid for their own Government and Administration, and that this depression is mainly caused by the competition of sugar produced under a system of Bounties adopted in some European countries, which has recently been greatly extended.

And whereas it is expedient that full and authentic information should be obtained as to the facts and causes of the alleged depression of the Sugar Industry in Our said Colonies, and the general condition and prospects of that industry and of the said Colonies generally in connexion therewith.

Now We do hereby constitute and appoint you, the said Sir Henry Wylie Norman, Sir Edward Grey, Sir David Barbour, to be Our Commissioners to make full and diligent inquiry into the condition and prospects of certain of Our Colonies in the West Indies in which sugar is produced, namely, Our Colonies of Jamaica, British Guiana, Trinidad and Tobago, Barbados, Grenada, St. Vincent, St. Lucia, and the Leeward Islands, and to suggest such measures as appear to you best calculated to restore and maintain the prosperity of those Colonies and of their inhabitants.

And We do hereby charge and command all Our Officers, Civil and Military, and all Our faithful subjects, and all others inhabiting the said several Colonies and their respective Dependencies, that in their several places, and according to their several powers and opportunities, they be aiding to you in the execution of this Our Commission.

And for your assistance in the due execution of these presents We have made choice of Our Trusty and Well-beloved Sydney Olivier, Esquire, Bachelor of Arts, to be Secretary to this Our Commission, and to attend you, whose services and assistance We require you to avail yourselves of from time to time, as occasion may require.

Given at Our Court at Saint James's, this Twenty-second day of December 1896, in the Sixtieth year of Our Reign.

By Her Majesty's Command,
J. CHAMBERLAIN.

No. 79.

MR. CHAMBERLAIN to the GOVERNORS.*

SIR, Downing Street, December 29, 1896.

IN consequence of the urgent representations which have been addressed to me in various forms both from the Colony under your Government and from the other West Indian Colonies bearing witness to a very critical position of the Sugar Industry, Her Majesty the Queen has been pleased to order a special inquiry and report to be made as to the condition and prospects of the West Indian Sugar-growing Colonies.

2. I enclose for your information and guidance a transcript of a Commission† which has been issued by Her Majesty appointing General Sir Henry Norman, Sir Edward Grey, and Sir David Barbour to be Commissioners for the purposes of this inquiry and Mr. Sydney Olivier to be their Secretary. The Commissioners will be accompanied by Dr. Morris, Assistant Director of the Royal Gardens, Kew.

3. The Commissioners have decided to leave Southampton by the mail of the 13th of January, to proceed first to British Guiana and thence in succession to visit Trinidad, Grenada, St. Vincent, Barbados, St. Lucia, the Leeward Islands, and Jamaica, remaining in each place for such a period as they may find necessary for their inquiries. They propose to take evidence from a limited number of representative witnesses on the questions referred to them and to make observations in person. Full details will be sent you of the particulars in which they will desire that you should assist their inquiries, and you will be informed as early as possible of the date at which they are likely to visit the Colony under your Government.

4. You will have the goodness to publish this despatch and the Royal Commission for general information without delay.

I have, &c.
J. CHAMBERLAIN.

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* This despatch was sent to the Officers Administering the Government of British Guiana, Jamaica, Trinidad, Barbados, Grenada, St. Lucia, St. Vincent, and the Leeward Islands.

† See Enclosure in No. 78.

No. 80.

MR. CHAMBERLAIN to SIR H. W. NORMAN.

SIR, Downing Street, January 5, 1897.

WITH reference to my letter of the 29th of December,* accompanying the Royal Commission appointing you and Sir David Barbour and Sir Edward Grey Commissioners to inquire into the present condition and future prospects of the sugar-growing Colonies in the West Indies, and to suggest such measures as appear to you best calculated to restore and maintain the prosperity of those Colonies and their inhabitants, I have thought it desirable to state more fully than is expressed in the terms of the Commission, some of the points to which Her Majesty's Government would wish the inquiry to be directed.

2. In view of the representations referred to in the Preamble of the Commission, the first subject for consideration is, whether the Sugar Industry in the Colonies in question is in fact in danger of extinction, and in connexion with that question, it will be necessary to ascertain what are the causes of the present depression of that industry, whether they are temporary or permanent; whether they include matters independent of the competition of sugar produced under Bounty system, such as extravagance in management, imperfection in the processes of manufacture, inadequate supervision consequent on absentee ownership, and, if so, whether the removal of these causes would enable it to be carried on profitably notwithstanding such competition.

3. A further subject of the inquiry would be whether, in the event of the production of sugar in these Colonies being discontinued or considerably diminished, other industries could replace it and be carried on profitably, and could supply employment for the labouring population. If such industries can be indicated, it would also be desirable to ascertain whether they could be established in time to meet any existing crisis. In this branch of the inquiry you will, no doubt, derive valuable assistance from Dr. Morris.

4. It is also of great importance to ascertain what effect the total or partial extinction of the Sugar Industry would be likely to have upon the condition of the labouring classes and upon the revenue of the Colonies concerned, and whether any loss of revenue could be to any material extent met by reduction of public expenditure, and whether those Colonies would be able to provide the necessary cost of administration, including the relief of unemployed and necessitous persons without subvention from the Mother Country. If it appears that such subventions will be necessary, Her Majesty's Government would be glad to be furnished with your opinions as to their probable amount.

5. I trust that the Commissioners will find it possible to complete their inquiry in the Colonies within a period not exceeding four months, and in order to facilitate their movements between the different Colonies I have obtained the consent of the Lords Commissioners of the Admiralty to place a gunboat at their service.

I have, &c.
J. CHAMBERLAIN.

No. 81.

THE WEST INDIA ROYAL COMMISSION to COLONIAL OFFICE.

(Received January 6, 1897.)

SIR, Downing Street, January 6, 1897.

I AM directed by the West India Commissioners to transmit to you the enclosed copies of a Memorandum and Schedules which have been drawn up by their instructions to indicate the probable course of their movements in the West India Colonies, and the assistance they would desire to receive from the respective Governments in their inquiries.

The Commissioners will be obliged if you will move the Secretary of State for the Colonies to communicate copies of these documents to the Governments concerned by the next outgoing mail.

I am, &c.
SYDNEY OLIVIER.

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* No. 78.

Enclosure in No. 81.

MEMORANDUM.

PROCEEDINGS of the WEST INDIA ROYAL COMMISSIONERS in the WEST INDIAN COLONIES.

I.—ITINERARY.

The Commissioners propose to visit the West India Colonies in the order, and for, approximately, the periods, indicated in the following table :—

British Guiana	2 to 3 weeks.
Trinidad and Tobago	2 „ 3 „
Grenada	3 „ 4 days.
St. Vincent	3 „ 4 „
Barbados	1 week.
St. Lucia	3 to 4 days.
Leeward Islands (principal)	3 „ 4 days each.
Jamaica	2 weeks.

The date and duration of their visit to each Colony or Island will be finally determined by facilities of transport, by the amount of evidence which they may think it necessary to take, and by the extent of the personal inquiry and observation found desirable as to the methods of sugar growing and manufacture and the alternative cultures and industries there established or possible.

They will be much obliged if the Governors of the several Colonies which they are to visit will assist them by preparing the way for their inquiries as far as possible, in regard to the following objects.

II.—EVIDENCE TO BE OBTAINED.

The Commissioners will desire to receive evidence from a limited and selected number of witnesses specially qualified to give them information as to the condition and prospects of the sugar industry and of the labouring classes. They will have to ascertain whether the sugar industry is actually in danger of extinction or of serious and permanent diminution, what is the amount of capital at present invested in it, whether the present depression is due, wholly or in part, to imperfection in the processes of manufacture followed, or to any other causes independent of the effects of foreign import tariffs or export bounties on the production and price of sugar. They will desire information as to the qualities and value of sugar produced and of the subsidiary products of the industry; the markets for the sugar and its by-products, the causes affecting prices in those markets, and their accessibility to the exports of British Colonies, the extent of any recent improvements in production, the credit of the industry at the present time, the facilities or difficulties of sugar producers in raising money for capital improvements, the encumbrances on sugar estates and the charges laid by them on the industry.

A.—The sugar industry.

They would wish for information as to the cost of production of sugar in each Colony and the possibility of still further reducing it, and will be glad to have reliable particulars as to such cost extending over a series of years, distinguishing the cost of canes and the cost of manufacture, and capital charges or charges arising from mortgages from working charges. Also as to the effect of good and bad seasons on cost of production.

Evidence on some of these subjects, if desired, would be taken privately and regarded as confidential.

B.—The labouring classes.

With regard to the condition of the labouring classes, it will be the duty of the Commissioners to ascertain whether labour for the sugar industry is plentiful or the reverse; the cost and efficiency of labour and the rates of wages, what employments compete with sugar production, and the influence of particular industrial systems and conditions on the health, character, prospects, and civic efficiency of the population.

They will take evidence with regard to the employment of immigrant labour under Government regulation, and the costs and liabilities entailed on the general revenue by

this system, and will require particulars as to the nature and amount of any special fund devoted to the purposes of immigration and as to the manner in which the fund is expended. They will consider whether it is advisable that the supply of immigrant labour should be increased, continued, or diminished, whether wages have been reduced and, if so, why, to what extent, and with what results, what probability there is of further reductions, and what the effects would be likely to be, and what would be the consequences as regards the labouring population of any serious withdrawal of employment in the sugar industry.

It may be useful that the Commissioners should receive special evidence as to the position of the labouring classes from Government Medical Officers and other medical practitioners, from the ministers of various religious denominations and from any other persons qualified to speak on behalf of the labouring classes.

C.—Alternative industries.

They will desire evidence as to the profits and prospects of alternative agricultural industries, and how far these have been tried in substitution for sugar cultivation; where lands are suitable and available for such cultivation; at what price they can be obtained; whether Crown lands are available and accessible; how far there is any disposition on the part of the labouring classes to engage in industry on small holdings of land either purchased or rented, and whether it is possible to increase the facilities for their doing so.

D.—General trade and public revenue.

The inquiries of the Commissioners will include a survey of the general trade and the public revenue of the Colonies, and they will, therefore, be glad if the Governors will have prepared, for their information, statistical tables of the trade and revenue of each Colony up to the very latest date for which these particulars can be furnished. Returns of trade, in regard to Jamaica, Trinidad, British Guiana, and Barbados, are already accessible up to the year 1895, inclusive, in the Statistical Abstract for the Colonies published by the Board of Trade, and the Commissioners will, therefore, only require special returns for their use for the year 1896 to complete the returns up to date under the heads followed in that publication.

It will be useful if similar tables, as regards the total trade and the principal articles of export and import, can be prepared for the Windward Islands and for the Presidencies of the Leeward Islands. Returns of the revenue and expenditure for the last 15 years should be prepared in the detail given in the annual Blue Books, the nature of the taxation by which each class of revenue is raised, the application of any revenue levied for special purposes, and the application of the expenditure should be explained in notes on the returns, which should also show in what years there have been changes in taxation, the nature of any such changes, and whether there has been any large expenditure on behalf of the Government from loan funds, whether loan expenditure is proceeding at the present time, and whether, where such expenditure has been incurred and has now ceased, any distress or depression in employment or revenue is traceable to the cessation of such expenditure.

In the case of public works which have been embarked on as reproductive undertakings, the Commissioners may wish to satisfy themselves how far such undertakings have been reproductive, and whether the debt charges incurred do or do not exceed the advantage to the trade and revenue of the Colony.

Agriculture.

A schedule is annexed setting forth the particular points on which details are required as to the agricultural capacities of the Colony.

E.—Probable effects of a failure of the sugar industry, and possible remedies or palliatives.

The Commissioners will desire to ascertain whether, in the event of a disastrous failure of the sugar industry, general distress will be entailed, and whether the revenue of the Colony will be so far affected as to cripple the administration of the Government, and they will wish to form a definite opinion as to the pecuniary amount of such anticipated damage. In the event of such damage being anticipated they will be glad to receive suggestions as to remedies, palliatives, or preventives of the evils that may be feared, and as to any measures that may be deemed advisable for promoting the emigration of unemployed labourers, or for providing them with employment or with the means of producing their own livelihood during any period of transitory depression.

The Commissioners may desire to judge whether the substitution of other possible industries for sugar would be likely to affect the Customs Revenue, and what modifications of the system of taxation, if any, such a change might render advisable.

If a failure of Public Revenue is expected, they may have to consider whether any such loss could be met by economies in administration without unduly weakening the efficiency of the Government.

The Commissioners will be glad if the Governors of Colonies will make publicly known the direction of their inquiries as indicated in the foregoing paragraphs, and will be prepared on their arrival to assist them in the selection of witnesses from amongst

persons willing to give evidence, and who may most usefully do so, and in the conduct of their personal observations and inquiries, having due regard to the necessity that their sojourn in each Colony should be as brief as may be consistent with efficient compliance with the instructions in their Commission.

Written statements should be furnished wherever possible, and memoranda of the points on which evidence will be tendered, and it will be most convenient if each witness can submit beforehand an abstract of the evidence he would be prepared to give.

III.—Accommodation and Office Arrangements.

The Commissioners request that arrangements may be made for providing them with accommodation in hotels or boarding houses or by hiring special apartments for their use, and for their secretary and Dr. Morris, and they will communicate as early as possible to the Governors the date at which they may be expected to reach each Colony.

They may also have to apply to the Colonial Governments for accommodation for the sittings and for the clerical business of the Commission, and for temporary clerical assistance by officers of the Colonial Service and typewriters, and to engage shorthand writers where this is possible.

Agriculture.

The following information is desired from each Colony, or each separate administrative area (or Island) of each Colony.

A.—General.

1. Total area (in acres) of Colony.
2. Estimated area of swamps, rocky or other useless lands (equal to per cent.).
3. Estimated area of cultivable land in the Colony :—
   - (*a.*) In private hands.
   - (*b.*) In that of the Crown.
4. Estimated area of cultivable land with elevation :—
   - (*a.*) Above 1,000 feet.
   - (*b.*) Above 500 feet.
   - (*c.*) Above 250 feet.
   - (*d.*) Below 250 feet.
5. Estimated area now covered with forest; (equal to per cent. of whole area of the Colony).
6. Area :—
   - (*a.*) Now beneficially occupied by cultivation; (equal to per cent. of cultivable area).
   - (*b.*) Under cultivation within the last 30 years but now in ruinate or abandoned; (equal to per cent. of cultivable area).
7. Number of properties with areas :—
   - (*a.*) Above 1,000 acres.
   - (*b.*) Not less than 500 acres.
   - (*c.*) 200 acres.
   - (*d.*) 100 acres.
   - (*e.*) 50 acres.
   - (*f.*) 20 acres.
   - (*g.*) 10 acres.
   - (*h.*) 5 acres.
8. Observations as to—
   - (*a.*) The accessibility of lands now uncultivated but judged cultivable, and cost of making them accessible.
   - (*b.*) Healthiness or suitability for settlement of districts accessible.

9. Principal cultural industries in order of importance.

10. What export duties, if any, are imposed upon produce grown in the Colony :—
(*a.*) For purposes of General Revenue.
(*b.*) For special purposes.

11. Total population of Colony at last census :—
(*a.*) Portion of population directly employed in the sugar industry (equal to per cent.).
(*b.*) Portion of population directly employed in all other industries (equal to per cent.).

12. Approximate estimate of capital invested in properties now existing :—
(*a.*) Sugar industries.
(*b.*) In other industries.

B.—Sugar Industry.

1. Area under cultivation in sugar, (equal to per cent. of the cultivable area) equal to per cent. of all land under crops in the Colony.

2. Total number of sugar estates existing in the Colony :—
(*a.*) Over 500 acres.
(*b.*) „ 200 „
(*c.*) „ 100 „
(*d.*) Less than 100 acres.

3. Number and area of sugar estates of not less than 100 acres each, the proprietors of which do not reside in the Colony (equal to per cent.).

4. Number and area of estates owned by public companies and by private persons respectively.

5. Number and area of estates :—
(*a.*) Where canes are ratooned.
(*b.*) Where annually planted.

6. Number and area of estates employing :—
(*a.*) Steam power.
(*b.*) Wind power.

7. Number and area of estates producing :—
(*a.*) Muscovado or raw sugar (equal per cent.).
(*b.*) Centrifugal sugar (equal per cent.).
(*c.*) Distilling rum (equal per cent.).

8. Average cost per ton of producing :—
(*a.*) Raw or Muscovado sugar.
(*b.*) Centrifugal sugar.
(*c.*) Rum, per gallon.

9. Total production (in tons) for each year since 1880 of—
(*a.*) Raw sugar.
(*b.*) Centrifugal sugar.
(*c.*) Gallons of rum.

Exports, showing quantity and value of sugar during same period to :—

(*a.*) The United Kingdom	or	per cent.
(*b.*) The United States	or	per cent.
(*c.*) Canada	or	per cent.
(*d.*) Other countries	or	per cent.

Exports showing quantity and value of rum during the same period:—

(*a.*)	The United Kingdom	or	per cent.
(*b.*)	The United States	or	per cent.
(*c.*)	Canada	or	per cent.
(*d.*)	Germany	or	per cent.
(*e.*)	Other countries	or	per cent.

Collective export value of sugar, rum, and molasses annually since 1880, as compared with the total exports of the produce of the Colony, for the same period, showing the percentage.

C.—Other Industries than Sugar.

The following particulars are desired in respect of each industry, other than sugar showing an annual export value of 1,000*l.* and upwards:—

Total area under cultivation in (equal to per cent. of all crop lands).

Number of holdings:—

(*a.*) Over 500 acres.
(*b.*) Not less than 200 acres.
(*c.*) Not less than 100 acres.
(*d.*) Not less than 50 acres.
(*e.*) Not less than 20 acres.
(*f.*) Not less than 10 acres.
(*g.*) Not less than 5 acres. Total holdings not less than 50 acres.

Number of proprietors holding not less than 50 acres not residing in the Colony (equal to per cent.).

Average price in London, New York or other principal market for the produce during the period above mentioned (1881–18[redacted]

Exports of , showing quantity and value, since the year 1880 to—

(*a.*)	The United Kingdom	or	per cent.
(*b.*)	The United States	or	per cent.
(*c.*)	Canada	or	per cent.
(*d.*)	France	or	per cent.
(*e.*)	Other countries	or	per cent.

D.—New Industries.

1. Has the general value of agricultural land depreciated or improved of late years in the Colony?

2. What tax is imposed on—

(*a.*) Uncultivated land?
(*b.*) Cultivated land?

3. What is the total value of the produce derived from new industries exported during the last five years?

4. What further new industries (if any) are capable of being started in the Colony?

5. Are there any special agencies employed in the Colony in improving either the sugar or other industries?

6. Is there an agricultural society in existence in the Colony; if so, what are its special functions and sources of revenue?

7. Is any attempt made to teach agriculture in the elementary schools?

8. What services in recent years have been rendered to the Colony by the Botanic Gardens in (1) distributing economic plants; (2) affording oral information respecting their cultivation; (3) publication of bulletins; (4) training agricultural instructors and gardeners.

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Shri Brihad Bhartiya Samaj
on 24 February, 2020

No. 82.

THE WEST INDIA ROYAL COMMISSION to COLONIAL OFFICE.
(Received January 14, 1897.)

SIR, Downing Street, January 12, 1897.

I AM directed by the West India Commissioners to acknowledge the receipt of your letter of the 5th instant,* and to acquaint you, for the information of the Secretary of State for the Colonies, that the Commissioners have held seven sittings to hear evidence from selected witnesses connected with the West India Colonies, and that they will embark for the West Indies on the 13th instant, proceeding, viâ Barbados, to British Guiana.

I am, &c.
SYDNEY OLIVIER.

No. 83.

MR. CHAMBERLAIN to the GOVERNORS.†

SIR, Downing Street, January 12, 1897.

WITH reference to my despatch of the 29th ult.,‡ in which I transmitted to you copies of a Royal Commission providing for an inquiry to be made into the condition of the Sugar-growing Colonies in the West Indies, I have the honour to transmit, for your information and guidance, copies of a memorandum and schedules§ of questions drawn up by instruction of the Commissioners, indicating the probable course of their movements in the Colonies, and the assistance which they would desire to receive from the respective Governments.

2. I have no doubt that you will use all means in your power to further the wishes of the Commissioners, and that they will receive all possible facilities from the Officers of your Government, and from such private persons in the Colony as may be able to give them information. You should publish, at an early date, sections I. and II. of the memorandum enclosed, and should have the desired returns from official sources prepared and printed [if possible, before the arrival of the Commission].‖

[¶ 3. Until I have received the Commissioner's report, I shall be unable to take any action on the memorials that have been addressed to me on behalf of the Sugar Industry in the Colony.]

I have, &c.
J. CHAMBERLAIN.

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* No. 80.

† This despatch was sent to the Officers Administering the Government of British Guiana, Jamaica, Trinidad, Barbados, Grenada, St. Lucia, St. Vincent, and the Leeward Islands.

‡ No. 79. § Enclosure in No. 81. ‖ To British Guiana, "at the earliest possible moment."

¶ Not to Grenada and St. Lucia.